



CRÉDIT AGRICOLE S.A.

## INVESTMENT STATEMENT

19 November 2007

For an offer of Perpetual  
Deeply Subordinated Notes  
of up to NZ\$400 million

(with the option to accept  
unlimited oversubscriptions  
at its discretion)

 **CREDIT SUISSE**  
Arranger and Joint Lead Manager

 **FIRST NZ CAPITAL**  
Joint Lead Manager and Organising Participant

 **CALYON**  
CRÉDIT AGRICOLE CIB  
Senior Co-Lead Manager

This is an Investment Statement for the purposes of the Securities Act 1978 and is dated and has been prepared as at 19 November 2007. It is an important document and should be read in its entirety.



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## Important Information

*(The information in this section is required under the Securities Act 1978)*

Investment decisions are very important. They often have long-term consequences. Read all documents carefully. Ask questions. Seek advice before committing yourself.

### Choosing an investment

When deciding whether to invest, consider carefully the answers to the following questions that can be found on the pages noted below:

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In addition to the information contained in this document, important information can be found in the current registered prospectus for the investment. You are entitled to a copy of that prospectus on request.

You have the right to request from any investment adviser a written disclosure statement stating his or her experience and qualifications to give advice. That document will tell you:

- whether the adviser gives advice only about particular types of investments; and
- whether the advice is limited to the investments offered by one or more particular financial organisations; and
- whether the adviser will receive a commission or other benefit from advising you.

You are strongly encouraged to request that statement. An investment adviser commits an offence if he or she does not provide you with a written disclosure statement within five working days of your request. You must make the request at the time the advice is given or within one month of receiving the advice.

In addition:

- if an investment adviser has any conviction for dishonesty or has been adjudged bankrupt, he or she must tell you this in writing; and
- if an investment adviser receives any money or assets on your behalf, he or she must tell you in writing the methods employed for this purpose.

Tell the adviser what the purpose of your investment is. This is important because different investments are suitable for different purposes.

## Choosing an Investment Adviser

# PART 1 – IMPORTANT NOTICE

The purpose of this Investment Statement is to provide certain key information that is likely to assist a prudent but non-expert person to decide whether or not to subscribe for the Notes. Investors should note that other important information is available in the Prospectus (which includes Crédit Agricole S.A.'s financial statements) and in the Terms and Conditions applicable to the Notes, which are set out in full in Part 5 for reference.

Copies of the Prospectus may be obtained free of charge from Computershare Investor Services Limited at Level 2, 159 Hurstmere Road, Takapuna, Auckland, by phoning +64 9 488 877. In addition, the latest full annual report for Crédit Agricole S.A. and its updates are available at <http://www.credit-agricole-sa.fr>.

As noted in the Prospectus, the following sections of Crédit Agricole S.A.'s latest full annual report and its updates are not deemed to be part of the Prospectus as these reports and statements are given as a requirement of French audit regulations and as a matter of these regulations may be relied on only by Crédit Agricole S.A.: (i) the report of the Chairman of the Board of Directors of Crédit Agricole S.A. on internal control on pages 14 to 31 of the 2006 Shelf-Registration Document and any reference thereto; (ii) the report of the statutory auditors on the report prepared by the Chairman of the Board of Directors of Crédit Agricole S.A. on internal control procedures relating to the preparation and processing of financial and accounting information on page 32 of the 2006 Shelf-Registration Document; (iii) the statement by the Chief Executive Officer of Crédit Agricole S.A., on page 318 of the 2006 Shelf-Registration Document referring to the lettre de fin de travaux of the statutory auditors; (iv) the statement by the Chief Executive Officer of Crédit Agricole S.A., on page 139 of the Update A.01 of the 2006 Shelf-Registration Document referring to the lettre de fin de travaux of the statutory auditors; (v) the statement by the Chief Executive Officer of Crédit Agricole S.A., on page 55 of the Update A.02 of the 2006 Shelf-Registration Document referring to the lettre de fin de travaux of the statutory auditors; and (vi) the statement by the Chief Executive Officer of Crédit Agricole S.A., on page 145 of the Update A.03 of the 2006 Shelf-Registration Document referring to the lettre de fin de travaux of the statutory auditors. Any statement by the Chief Executive Officer of Crédit Agricole S.A. referring to the lettre de fin de travaux of the statutory auditors in the future annual reports and/or updates of Crédit Agricole S.A. shall not be deemed to be part of the Prospectus.

This Investment Statement only constitutes an offer of Notes to the public in New Zealand and to investors in other jurisdictions where the Notes may be lawfully offered. No action has been or will be taken by Crédit Agricole S.A. which would permit an offer of Notes to the public, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand). Notes may only be offered for sale or sold in conformity with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. No Noteholder, or any other person, may purchase, offer, sell, distribute or deliver Notes, or have in its possession, publish, deliver or distribute to any person, any offering material or any documents in connection with the Notes, in any jurisdiction other than in compliance with all applicable laws and regulations.

By applying for Notes, each applicant indemnifies Crédit Agricole S.A. in respect of any loss, cost, liability or expense sustained or incurred by Crédit Agricole S.A. as a result of that applicant breaching the selling restrictions described above.

This Investment Statement does not constitute a recommendation by the Arranger, the Joint Lead Managers, the Co-Managers or Crédit Agricole S.A. to subscribe for, or purchase, any of the Notes. None of the Arranger, the Joint Lead Managers, the Organising Participant or any of their directors, officers, employees or agents accepts any liability whatsoever for any loss arising from this Investment Statement or its contents or otherwise arising in connection with the offer of Notes.

References in this Investment Statement to the “**Issuer**” are to Crédit Agricole S.A. References to the “**Crédit Agricole S.A. Group**” are to Crédit Agricole S.A., together with its consolidated subsidiaries. References to the “**Group**” or the “**Crédit Agricole Group**” are to Crédit Agricole S.A., the Caisses Régionales de Crédit Agricole and the Caisses Locales de Crédit Agricole, together with their respective consolidated subsidiaries. References to the “**Regional Banks**” are to the 38 Caisses Régionales in which Crédit Agricole S.A. holds 25% interests, which excludes the Caisse Régionale of Corsica, except as the context otherwise requires.

All references in this Investment Statement to “**Conditions**” are to the Terms and Conditions applicable to the Notes as contained in the Trust Deed. The Conditions have been set out in full in Part 5 for reference. Capitalised terms used in this Investment Statement have defined meanings which appear in the Glossary on page 48 or in Condition 1.

Crédit Agricole S.A. is not registered as a registered bank under the Reserve Bank of New Zealand Act 1989.



## PART 2 – SUMMARY OF THE MAIN TERMS OF THE OFFER

### Important dates

<b>Opening Date</b>	23 November 2007
<b>Closing Date*</b>	13 December 2007
<b>Margin Determination Date</b>	22 November 2007
<b>Initial Rate Determination Date</b>	19 December 2007 and 19 December 2012
<b>Issue Date</b>	19 December 2007
<b>Expected date of initial quotation and trading on NZDX</b>	20 December 2007
<b>First Interest Payment Date</b>	19 March 2008
<b>Subsequent Interest Payment Dates</b>	19 June, 19 September and 19 December and 19 March thereafter until the Notes are redeemed
<b>First Call Date</b>	19 December 2017
<b>Floating Rate Determination Date</b>	19 December 2017 and on each 19 March, 19 June, 19 September and 19 December thereafter until the Notes are redeemed

\* Crédit Agricole S.A. reserves the right to close the offer early. Any change to the Closing Date will be advised by NZX announcement.



# The Offering

For a more complete description of the Notes, including the definitions of capitalised terms used but not defined in this section, see the [Answers to Important Questions in Part 4](#) and see also the [Terms and Conditions of the Notes set out in Part 5](#).

<b>Issuer:</b>	Crédit Agricole S.A. A description of Crédit Agricole S.A. is set out in Part 3 of this Investment Statement.
<b>Description:</b>	Up to NZ\$400 million (with the option to accept unlimited oversubscriptions) of Perpetual Deeply Subordinated Notes.
<b>Arranger:</b>	Credit Suisse Securities (Europe) Limited.
<b>Joint Lead Managers:</b>	Credit Suisse Securities (Europe) Limited. First NZ Capital Securities Limited.
<b>Senior Co-Lead Manager:</b>	Calyon Crédit Agricole CIB
<b>Co-Managers:</b>	ABN AMRO Craigs Limited, Bank of New Zealand and Direct Broking Limited.
<b>Organising Participant:</b>	First NZ Capital Securities Limited.
<b>Registrar:</b>	Computershare Investor Services Limited.
<b>Trustee:</b>	New Zealand Permanent Trustees Limited.
<b>Total Subscription Amount:</b>	NZ\$400 million (with the option to accept unlimited oversubscriptions).
<b>Issue Price and Original Principal Amount:</b>	\$1.00 per Note.
<b>Who may apply:</b>	Notes are offered to New Zealand resident investors and investors in other jurisdictions where the Notes may be lawfully offered.  The offer is available to institutions and to members of the public who may participate in the offer through an NZX Firm. There is no pool of Notes generally available to members of the public.
<b>How to apply:</b>	Instructions on how to apply for the Notes are contained on page 21 under the heading <i>How much do I pay?</i>
<b>Minimum application amount:</b>	The minimum application amount in respect of the Notes is \$5,000 and in multiples of \$1,000 thereafter.
<b>Early Bird Interest:</b>	Interest will be paid at the Official Cash Rate on application money received in respect of accepted applications for Notes from (and including) the date the cheque is banked or the application is settled through the Austraclear System until (but excluding) the Issue Date. Such interest (less any applicable withholding tax) will be paid to successful applicants within five Business Days after the Issue Date and will be paid into the bank account nominated by such applicants on the Application Form.
<b>Listing and Quotation:</b>	Application has been made to NZX for permission to list the Notes and all the requirements of NZX relating thereto that can be complied with on or before the date of this Investment Statement have been duly complied with. However, NZX accepts no responsibility for any statement in this Investment Statement.
<b>Maturity:</b>	The Notes are perpetual obligations in respect of which there is no fixed redemption or maturity date. However, in certain circumstances, Crédit Agricole S.A. will have the option to redeem the Notes, and is required to redeem the Notes in other circumstances, as described on page 22 under the heading <i>What returns will I get?</i>
<b>Status of the Notes:</b>	The Notes are direct, unsecured and deeply subordinated obligations of Crédit Agricole S.A., as described on page 22 under the heading <i>What returns will I get?</i> , on page 28 under the heading <i>What are my risks?</i> and in Condition 3, and rank <i>pari passu</i> among themselves.
<b>Regulatory treatment:</b>	The proceeds of the issue of the Notes will be treated, for regulatory purposes, as consolidated <i>fonds propres de base</i> (" <b>Tier 1 Capital</b> ") for the Issuer, subject to certain French law limitations as further described in Part 4 under <i>What returns will I get?</i> Tier 1 Capital is the core measure of a bank's financial strength from a regulator's point of view. It consists of the types of capital considered the most reliable and liquid, primarily equity. Examples of Tier 1 Capital are common stock or equivalents thereof, preferred stock, subordinated perpetual debt and similar instruments that are non-cumulative, and retained earnings.

### Interest (Initial Rate and Floating Rate):

The Interest Rate on the Notes will be as follows:

- (a) from (and including) the Issue Date (19 December 2007) to (but excluding) 19 December 2017: the **Initial Rate**, which is equal to the sum of the Benchmark Rate (the five-year swap rate), which is reset at five-yearly intervals, plus the Margin; and
- (b) from (and including) 19 December 2017: the **Floating Rate**, which is equal to the sum of 3-month Bank Bill Rate, which is reset quarterly, plus the Margin.

The **Margin** will be a percentage rate per annum determined by Crédit Agricole S.A. in consultation with the Joint Lead Managers prior to the Issue Date and will not subsequently change. The Margin will be advised by NZX announcement. Your NZX adviser or other financial adviser can also notify you of the Margin once it has been determined. For further information, refer to *What returns will I get?* on page 22.

### Interest Payment Dates:

Interest will be payable on the following dates (each, an **Interest Payment Date**):

- (a) in respect of the period from (and including) the Issue Date (19 December 2007) up to (but excluding) 19 December 2017, at the Initial Rate payable quarterly in arrear on 19 March, 19 June, 19 September and 19 December of each year, commencing on 19 March 2008; and
- (b) in respect of the period from (and including) 19 December 2017, at the Floating Rate payable quarterly in arrear on 19 March, 19 June, 19 September and 19 December of each year commencing 19 March 2018.

### Payment of Interest:

In certain circumstances interest, as described above, may not be payable on the Notes and may be forfeited. This depends on whether payment of interest is compulsory, optional or suspended following the occurrence of a Supervisory Event. This is more fully described on pages 23 to 24 under the heading *What returns will I get?* on page 28 under the heading *What are my risks?* and in Condition 8.

A more detailed description of the interest rates which apply to the Notes, how they are determined, and when they apply is also set out on page 22 under the heading *What returns will I get?* and in Condition 8.

### Redemption:

The Issuer may, at its option, redeem all of the Notes (but not some only) on the First Call Date and on each Interest Payment Date thereafter.

The Issuer will also have the right to redeem all of the Notes (but not some only) at any time up to the First Call Date:

- (a) if as a result of any change in French law or any change in Applicable Banking Regulations, the Notes cease to be eligible as Tier 1 Capital for the Issuer (except as a result of the application of the Hybrid Securities Limit);
- (b) if as a result of any change in French law, interest payments under the Notes are no longer tax-deductible by the Issuer for the purposes of French corporate income tax;
- (c) if as a result of any change in French law, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes not be able to make such payment without having to pay additional amounts as specified under Condition 8; or
- (d) if as a result of any change in New Zealand law the Issuer becomes liable to pay any New Zealand tax that entitles it to indemnification from Noteholders.

The Issuer shall redeem all of the Notes (but not some only) if, on the next payment of principal or interest on the Notes it will be prevented by French law from making payment to the Noteholders of the full amount then due and payable.

In each case the redemption price will be equal to the Original Principal Amount plus accrued and unpaid interest.

Any redemption of the Notes by the Issuer is subject to the prior approval of the General Secretariat of the French Banking Commission (known by its French acronym as the SGCB).



<b>French Taxation:</b>	The Notes will, upon issue, benefit from an exemption from deduction for withholding tax as provided in Condition 8. If French law shall require any such deduction, the Issuer shall, to the extent permitted by law and subject to certain exceptions, pay additional amounts.
<b>New Zealand Taxation:</b>	<p>Resident withholding tax may apply to interest paid on the Notes and on application money (see “Early Bird Interest” above) to a Noteholder who is resident in New Zealand for New Zealand income tax purposes or who is engaged in business in New Zealand through a fixed establishment in New Zealand. Resident withholding tax is not applicable if the Noteholder holds a valid certificate of exemption (and has provided a copy to the Registrar) or is a registered bank for the purposes of the Reserve Bank of New Zealand Act 1989.</p> <p>Non-resident withholding tax applies to interest paid on the Notes and on application money (see “Early Bird Interest” above) to a Noteholder who is not resident in New Zealand for New Zealand tax purposes and who is not engaged in business in New Zealand through a fixed establishment in New Zealand. Double tax agreements may operate to reduce or prevent the imposition of non-resident withholding tax for Noteholders resident in certain countries; if that is the case then appropriate evidence must be provided to the Registrar.</p> <p>In certain circumstances approved issuer levy may apply instead of non-resident withholding tax, and a Noteholder may elect which applies to interest paid on the Notes.</p> <p>A more detailed description of the applicable New Zealand taxes is set out on pages 25 to 27 under the heading <i>Taxation of Returns - New Zealand taxation</i>.</p>
<b>Negative Pledge:</b>	There is no negative pledge in respect of the Notes.
<b>Event of Default:</b>	There will be an event of default in the event of the judicial liquidation ( <i>liquidation judiciaire</i> ), or liquidation for any other reason of the Issuer, in which case the rights of the Noteholders will be to the Original Principal Amount of the Notes plus accrued and unpaid interest as set out in Condition 9. There will be no other events of default.
<b>Form of Notes:</b>	The Notes will be entered onto the Register maintained by the Registrar. No certificates of title in respect of the Notes will be issued to Noteholders. Title to the Notes passes by transfer and registration as described in Condition 2. Crédit Agricole S.A. and the Registrar will rely on the Register for the purpose of determining entitlements to interest payments on each Interest Payment Date, and for the repayment of the principal amount of the Notes if and when they are redeemed.
<b>Ratings:</b>	The Notes have been assigned a rating of “Aa3” by Moody’s, “A” by Standard & Poor’s and “AA-” by Fitch Ratings upon their issue. A credit rating is not a recommendation to invest in the Notes and may be subject to revision, suspension or withdrawal at any time.
<b>Guarantee:</b>	There is no specific guarantee in respect of the Notes. However, the Regional Banks have issued a joint and several general guarantee backed by their equity, which covers the obligations of the Issuer to third parties, including Noteholders, as described on page 29 under the heading <i>What are my risks?</i>
<b>Use of proceeds:</b>	The net proceeds of the offering will be used for the general corporate purposes of the Issuer.
<b>Further issues of Notes:</b>	Crédit Agricole S.A. may from time to time without the consent of the Noteholders create and issue further instruments ranking <i>pari passu</i> in all respects (or in all respects save for the date from which interest accrues and the amount of the first interest payment on such further instruments) and so that such further issue shall be consolidated and form a single series with the outstanding Notes.
<b>Governing Law:</b>	The Notes will be governed by, and construed in accordance with, the laws of England, except Condition 3, with respect to the status of the Notes and subordination, will be governed by French law.
<b>Underwriting:</b>	The offer is not underwritten.

**CRÉDIT AGRICOLE S.A. IS FRANCE'S LARGEST BANKING GROUP, AND ONE OF THE LARGEST IN THE WORLD BASED ON SHAREHOLDERS' EQUITY.**



## PART 3 – CORPORATE PROFILE

### Crédit Agricole Group

The Issuer, Crédit Agricole S.A., is the lead bank of the Crédit Agricole Group, which is France's largest banking group, and one of the largest in the world based on shareholders' equity. As at 30 June 2007, Crédit Agricole S.A. had total consolidated assets of €1,391.9 billion (€1,344.6 billion in liabilities), €41.9 billion in shareholders' equity (excluding minority interests), €308.5 billion in French retail customer deposits (excluding certificates of deposits) and €617 billion in assets under management (excluding Italy).

Crédit Agricole S.A., formerly known as the Caisse Nationale de Crédit Agricole (“CNCA”), was created by public decree in 1920 to distribute advances to and monitor a group of regional mutual banks known as the “Caisses Régionales” on behalf of the French State. In 1988, the French State privatised CNCA in a mutualisation process, transferring most of its interest in CNCA to the Caisses Régionales. In 2001, Crédit Agricole S.A.'s shareholders voted to list Crédit Agricole S.A. on Euronext. After the process of a merger implemented in 1987, the number of Caisses Régionales fell from 94 to 40. In May 2007, two of the Regional Banks merged. As a result, there are now 39 Regional Banks. Crédit Agricole S.A. holds 25% interests in 38 of the Caisses Régionales (the “**Regional Banks**”), but does not hold any interest in the Caisse Régionale of Corsica.

Crédit Agricole S.A. acts as the central bank of the Crédit Agricole Group, coordinates its sales and marketing strategy, ensures the liquidity and solvency of each of the entities in the Crédit Agricole Network (which is defined by law to include primarily the Regional Banks and their subsidiaries) and, through its specialised subsidiaries, designs and manages financial products that are distributed primarily by the Regional Banks and Crédit Lyonnais (now LCL). At the same time, the Regional Banks have extended a joint and several general guarantee which covers the obligations of Crédit Agricole S.A. to third parties (as more fully described on page 29 under the heading *What are my risks?*). Through these reciprocal support mechanisms, the levels of risks incurred by creditors of Crédit Agricole S.A. and by those of the Regional Banks have become identical. As a result, the credit ratings of the rated Regional Banks and Crédit Agricole S.A. are identical.

Crédit Agricole S.A. operates two French retail banking segments. The first consists of the Regional Banks, which are 25%-owned by Crédit Agricole S.A. (through equity accounted, non-voting shares). The second consists of the LCL (Crédit Lyonnais) retail banking network, which is fully consolidated. In addition to retail banking services, the two networks offer, mostly through their retail networks, products manufactured by their fully consolidated subsidiaries in life and non-life insurance, asset management, consumer credit, leasing, payment and factoring services.



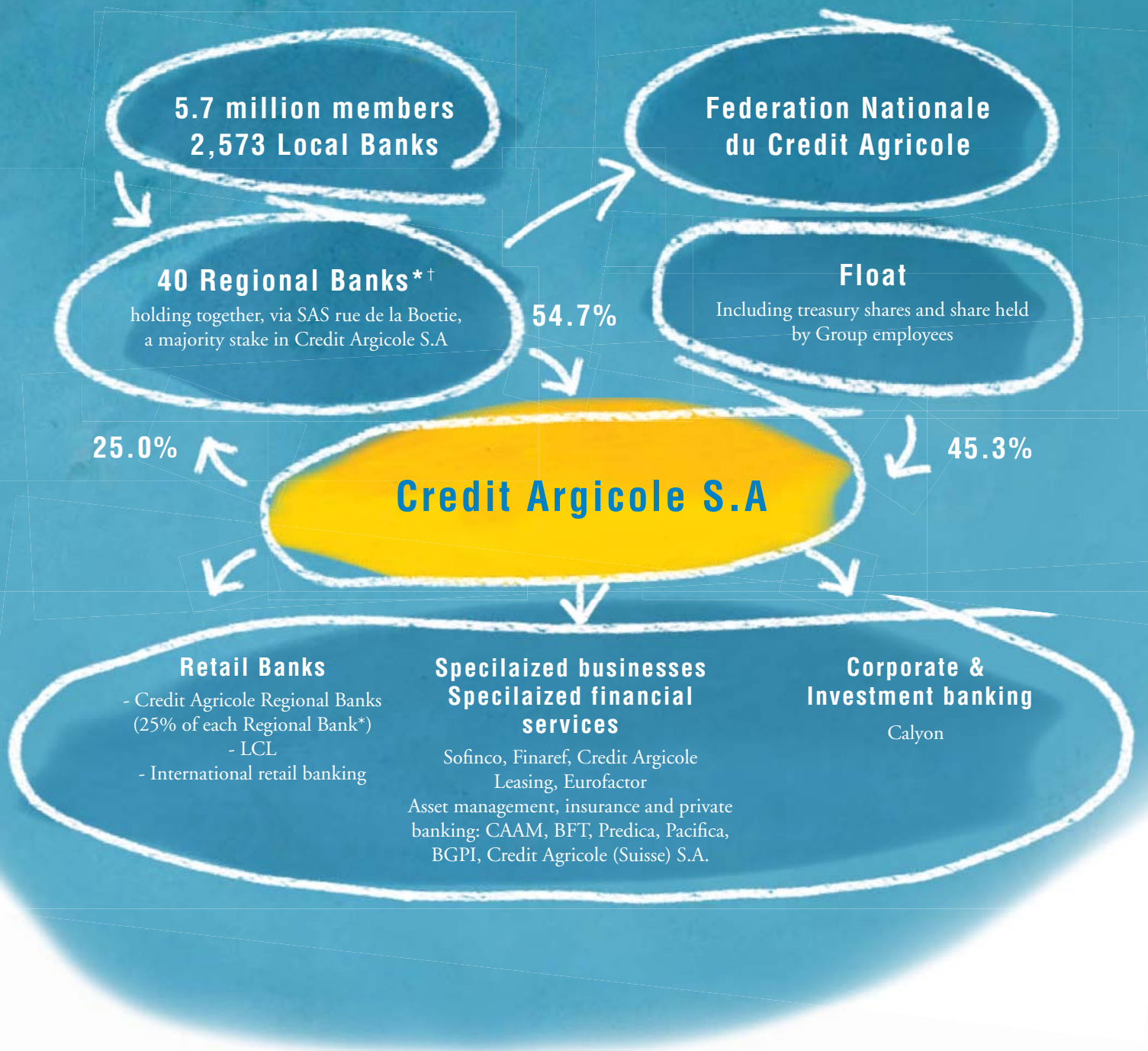
The Group's specialised financial services segment includes consumer credit and specialised financing to businesses in the form of factoring and lease finance. The Group's corporate and investment banking segment conducts both financing activities and capital markets and investment banking activities. Through its asset management, insurance and private banking segment, the Group is a leading mutual fund manager and insurance provider in France and offers private banking services in France, Switzerland, Luxembourg and Monaco. The Group's international retail banking segment reflects its international expansion through acquisitions in Europe (in particular in Greece, Italy and Poland), a presence in Africa, and alliances and participations in Portugal.

## **Business**

Crédit Agricole S.A. is the lead bank of the Crédit Agricole Group, and coordinates the Group's strategy. With the acquisition of Crédit Lyonnais (now LCL) in 2003, the Crédit Agricole Group strengthened its positions in all its business lines. In recent years, the Crédit Agricole Group has also expanded the international reach of its business lines, which are described below. The key strengths of the Crédit Agricole Group are:

## **ITS STATUS AS A MUTUAL BANKING GROUP A WIDESPREAD AND APPROACHABLE PRESENCE AND GLOBAL REACH.**

Consisting of Crédit Agricole S.A. and all of the Regional Banks (except Caisse Régionale of Corsica) and Local Banks, the Crédit Agricole Group combines a cohesive financial, commercial and legal organisation with a decentralised decision-making system. The organisational structure of the Crédit Agricole Group and Crédit Agricole S.A. as of 31 December 2006 is set forth on the facing page (adjusted to reflect two mergers of Regional Banks, as described in "Recent Developments" on page 15):



\* Excludes the Caisse Régionale of Corsica

† On 2 May 2007, the Caisse Régionale du Midi and the Caisse Régionale du Gard merged to become the Caisse Régionale du Languedoc. On 11 May 2007, the Caisse Régionale de Crédit Agricole Mutuel Brie Picardie and the Caisse Régionale de l'Oise merged to become the Caisse Régionale de Crédit Agricole Mutuel Brie Picardie. As a result, there are now 39 Regional Banks, including 38 in which Crédit Agricole owns 25% interests.

The six business lines of Crédit Agricole S.A. are as follows (net banking income and net income figures are for the year ended 31 December 2006):<sup>1</sup>

## French Retail Banking – Regional Banks

**Contribution to net income (excluding minorities) for the year ended 31 December 2006: €759 million<sup>2</sup>**

Banking services for personal customers, farmers, small businesses, companies and public authorities, with a very strong regional presence. The Regional Banks provide a full range of banking and financial products and services, including mutual funds (money market, bonds, equity), life insurance, lending (particularly mortgage loans and consumer finance), payment systems, banking-related services and wealth management. In addition to life insurance, they also provide a broad range of property & casualty and death & disability insurance. These services are available both through the local branch network and electronic banking channels (interactive voice server, Internet, interactive TV and mobile phone).

- 20 million customers (*excluding professional and corporate customers*)
- 7,160 branches
- As of 31 December 2006, Crédit Agricole S.A. was the market leader in: (source: Banque de France, company data):
  - personal deposits: 24% market share
  - personal loans: 22% market share
  - farming sector: 80% market share
  - small businesses: 27% market share

## French Retail Banking - LCL (formerly Credit Lyonnais)

**Net banking income for the year ended 31 December 2006: €3.7 billion**

Personal, small business and small-to-medium sized enterprise (“SME”) banking, with a strong focus on urban areas and a segmented customer approach. LCL offers a full range of banking products and services, together with asset management, insurance and wealth management. These services are available through multiple distribution channels, including branches, telephone, Internet, mobile phone and ATMs. SMEs have their own dedicated network of commercial advisers through a corporate finance advisory service specifically geared to their needs.

- 6 million customers (excluding professional and corporate customers)
- €1,970 branches, including 50% in towns with over 200,000 inhabitants.

## International Retail Banking

**Net banking income of consolidated subsidiaries for the year ended 31 December 2006: €824 million**

Contribution from companies accounted for by the equity method: €522 million. Crédit Agricole S.A. holds a very strong position in retail banking in Europe, particularly in the Euro zone, and, to a lesser extent, in Africa and the Middle East and Latin America. Banca Intesa remained the main contributor in 2006.

In Italy, Crédit Agricole S.A. operates under the Cariparma and FriulAdria banners. A vast majority of these two networks' 663 branches are in Northern Italy. They serve over 1.4 million customers. In Greece, Crédit Agricole S.A. owns 72% of Emporiki, the No. 4 bank in that country in terms of total assets (finalised acquisition in August 2006). With 376 branches in Greece, Emporiki has a 10% market share and 1.5 million customers. Two major investments in the Euro zone transformed the Group's positions in Greece and Italy, turning them from minority stakes into controlled subsidiaries. In late 2006 and early 2007, it acquired Cariparma, FriulAdria and 202 Banca Intesa branches, forming a network of 663 branches in Italy. Crédit Agricole S.A. also has a significant presence in Portugal, through its 23.8% equity-accounted stake in Banco Espírito Santo, the No. 3 local bank in terms of total assets as at 31 December 2006.

Outside the Euro zone, Crédit Agricole S.A. operates in Serbia via Meridian Bank, Ukraine via Index Bank and Poland via Lukas S.A. In Africa, Crédit Agricole S.A. owns Crédit du Maroc, Crédit Agricole Egypt and banks in seven countries in Sub-Saharan Africa, in Cameroon, Senegal, Côte d'Ivoire, Gabon, Congo, Madagascar and Djibouti. Lastly, Crédit Agricole S.A. is active in Latin America, in Uruguay.

<sup>1</sup> Net banking income from proprietary asset management and other activities for the year ended 31 December 2006 accounts for the difference between the Crédit Agricole S.A. Group's total net banking income and the sum of the amounts shown for the six main segments. See Note 6.1 to the financial statements of the Issuer for the year ended 31 December 2006.

<sup>2</sup> Crédit Agricole S.A. accounts for the Regional Banks using the equity method. The Caisse Régionale of Corsica is not consolidated. There are now 39 Regional Banks, including 38 in which Crédit Agricole S.A. owns 25% interests.



## Specialised Financial Services

### Net banking income for the year ended 31 December 2006: €2.6 billion

**Consumer finance:** a European leader with operations in 19 countries (source: company data). Sofinco and Finaref specialise in consumer finance, distributed in France through retail outlets (cars, household equipment), a direct network of branches, and partnerships with the Regional Banks and LCL, as well as major retailers, mail order companies, car manufacturers and financial institutions (particularly insurance companies). The consumer finance business operates in nineteen countries, in Europe and in Morocco. Consumer finance outstandings: €49.5 billion as at 31 December 2006.

**Lease finance:** As at 31 December 2006, Crédit Agricole S.A. was the No. 2 in France in terms of numbers of leases outstanding through CA Leasing (source: Association Française des Sociétés Financières). A specialist in lease finance, rental and financing (cars and computer equipment) with services as well as public-private partnerships. Leader in property leasing. The Group also has a lease finance operation in Poland with EFL, a leader in vehicle financing. Lease finance outstandings: €12.7 billion as at 31 December 2006.

**Factoring:** As at 31 December 2006, Crédit Agricole S.A. was the No. 1 in France in terms of factored receivables outstanding with Eurofactor with 23% market share Eurofactor also has major positions in five European countries (source: Association Française des Sociétés Financières). Factored receivables: €35 billion as at 31 December 2006.

### Net banking income for the year ended 31 December 2006: €3.9 billion

**Asset management:** As at 31 December 2006, Crédit Agricole S.A. was the leader in mutual funds in France (source: Europerformance). The Group's asset management business, which is conducted principally by the Crédit Agricole Asset Management group, encompasses mutual funds for retail, corporate and institutional investors, and discretionary management services for corporate and institutional investors. Assets under management: €490 billion as at 31 December 2006.

**Insurance:** As at 31 December 2006, Crédit Agricole S.A. was the No. 2 insurer in France based on amount of outstanding policies (source: Fédération Française des Sociétés d'Assurances).

**Life insurance:** As at 31 December 2006, Crédit Agricole S.A. was the No. 2 life insurer, based on amount of assets under management, in France (source: Fédération Française des Sociétés d'Assurances) offering investment and death and disability products to Regional Bank and LCL customers. Assets under management: €168 billion for the year ended 31 December 2006.

**Property & casualty insurance:** A broad range of property and casualty insurance products for retail, farming and business customers, as well as banking-related insurance, sold through the Regional Banks and LCL. Premium income: €1.5 billion as at 31 December 2006.

**Private banking:** The Crédit Agricole Group is a leading participant in private banking, both in France where it is a leader in the high net worth segment through Banque de Gestion Privée Indosuez, the Regional Banks and LCL, and internationally, with operations in Brazil, Spain, Monaco, Luxembourg and Switzerland (including its subsidiaries and branches in the Bahamas and Singapore). Assets managed, excluding the Regional Banks and life insurance premiums with LCL: €88 billion as at 31 December 2006.

### Net banking income for the year ended 31 December 2006: €5.5 billion

In terms of net banking income, in corporate and investment banking, for the year ended 31 December 2006 Calyon was among the top three in France and among the top ten in Europe, with operations in 55 countries. Capital markets and investment banking encompasses capital markets, brokerage and investment banking. The capital markets business operates in the world's key financial centres and is divided into seven product lines: foreign exchange, commodities, fixed income derivatives, debt capital markets, credit derivatives, equity derivatives and treasury. The brokerage business has three subsidiaries: Cheuvreux, which has a strong presence in Europe; CLSA, a leader in the Asia-Pacific markets; and Calyon Financial, a world leader in options and futures brokerage. Investment banking encompasses corporate finance activities (mergers & acquisitions and equity capital markets). Financing activities cover structured finance, loan syndication and corporate banking. Structured finance covers the full spectrum of asset and export financing throughout the world, including project finance, aircraft and ship finance, international trade finance, property and hotel finance acquisition financing. Corporate banking is in charge of commercial banking operations, with a full range of value-added products and services.

## Asset Management, Insurance and Private Banking

## Corporate and Investment Banking (Calyon)



## Exposure to subprime debt

Crédit Agricole S.A. has moderate exposure to U.S. subprime mortgage debt. In the Group's Corporate and Investment Banking business line, Calyon's indirect exposure to sub-prime mortgage debt through the financing of homebuilders and financial relationships with specialised financial institutions is very limited. Calyon's cash collateral debt obligation ("CDO") business has indirect exposure to subprime loans through an ABS portfolio and CDO tranches assembled but not yet sold. The underlying subprime exposure of the asset backed security ("ABS") portfolio stood at €586 million at 30 June 2007 out of a total of €1.9 billion. The mezzanine CDO tranches held by Calyon, valued at €280 million, have a limited net exposure of €91million. Calyon does not hold

any equity CDO tranches, while the super senior CDO tranches of €4.4 billion are rated 'AAA' by Standard & Poor's. As at 30 June 2007 the Group's asset backed commercial paper conduits program has a total authorisation of €25 billion and its liquidity lines on the structured investment vehicle stand at €225 million.

Updated information as at 30 September 2007 regarding Crédit Agricole S.A.'s exposure to U.S. subprime mortgage debt and its impact on the Group's results can be found in Crédit Agricole S.A.'s third quarter results announcement, available at <http://www.credit-agricole-sa.fr> and is further discussed below under the heading Recent Developments.

## Recent Developments

The following is a summary of the significant press releases issued by Crédit Agricole S.A. since 31 December 2006.

### 1 March 2007

On 1 March 2007, Crédit Agricole S.A. announced that it had established an Italian banking network by acquiring control of Cassa di Risparmio di Parma e Piacenza (Cariparma) and Banca Popolare FriulAdria (FriulAdria). Crédit Agricole S.A. finalised the acquisition of a 75% interest in Cariparma, under an agreement signed on 11 October 2006 with Banca Intesa. At the same time, Sacam International, a holding of Crédit Agricole's Regional Banks, completed its acquisition of a 10% stake in Cariparma. As a result of the transaction, the Crédit Agricole Group now owns 85% of Cariparma, with the remaining 15% held by the Cariparma Foundation.

Crédit Agricole S.A., Sacam International and the Cariparma Foundation also subscribed and paid, pro rata to their respective stakes in Cariparma, the first tranche of the capital increase voted at Cariparma's annual general meeting on 5 February 2007. This increase allowed Cariparma to acquire 76.05% of the shares of FriulAdria from Intesa Sanpaolo. To complete this transaction, Intesa Sanpaolo sold 29 of its branches to FriulAdria on 1 April 2007 and an additional 173 branches to Cariparma on 1 July 2007.

### 11 May 2007

On 2 May 2007, the Caisse Régionale du Midi and the Caisse Régionale du Gard merged to become the Caisse Régionale du Languedoc. On 11 May 2007, the Caisse Régionale de Crédit Agricole Mutuel Brie Picardie and the Caisse Régionale de l'Oise merged to become the Caisse Régionale de Crédit Agricole Mutuel Brie Picardie. As a result, there are now 39 Regional Banks, including 38 in which Crédit Agricole owns 25% interests (rather than 41 and 40, respectively, as specified in Crédit Agricole S.A.'s 2006 Annual Report).

### 16 May 2007

On 16 May 2007, Crédit Agricole Luxembourg, a subsidiary of the Crédit Agricole Group,

announced that it had signed an agreement with Bank Sarasin & Co. Ltd, a leading Swiss private banking institution based in Basel, Switzerland, relating to the acquisition of Bank Sarasin's Luxembourg-based subsidiary, Bank Sarasin Europe S.A., which has €2.4 billion under management. The deal was approved by the regulatory authorities and since 2 July 2007, Bank Sarasin Europe S.A. has been operating under its new name of Crédit Agricole Luxembourg Bank. Crédit Agricole Luxembourg Bank and Crédit Agricole Luxembourg are scheduled to merge by mid-2008. This gradual integration will allow business to continue as usual and enable the two companies' teams to combine under optimum conditions.

### 8 August 2007

On 8 August 2007, Crédit Agricole S.A. announced that Société Générale and Calyon had signed a final agreement relative to the merger of the brokerage activities currently carried out by their respective subsidiaries, Fimat and Calyon Financial, and announced the creation of Newedge. Newedge's operational launch is scheduled for early 2008, subject to the approval of supervisory authorities. The entity will be jointly controlled by Société Générale and Calyon and will have the regulatory status of a bank. Newedge will be headquartered in Paris and is expected to have a combined staff of around 3,000 located in the world's main financial centres.

Société Générale and Calyon will have identical rights and representation on Newedge's Board of Directors. Its Chairman, Marc Litzler, Deputy CEO of Calyon, and Vice-Chairman, Philippe Collas, Deputy CEO of Société Générale with responsibility for its Global Investment Management and Services division, will each be appointed for a period of two years. Patrice Blanc, the Chairman and CEO of the Fimat Group, will be appointed CEO of Newedge and Richard Ferina, Calyon Financial's Chairman and CEO, will be Deputy CEO.

In addition to its core business as a Futures Commission Merchant, Newedge will continue to offer a range of complementary execution

services on OTC markets and all of the spot markets, including money market instruments, bonds, equities, foreign exchange and tangible commodities.

Newedge will combine the specific know-how (risk management, cross margining, financing, etc) of Société Générale and Calyon and provide an innovative and comprehensive prime brokerage offering, an alternative to the services proposed by investment banks to their institutional customers. By generating diversified revenue streams from banks, brokers, firms and management companies including hedge funds, Newedge will thus meet the increasing demands of a broader customer base, with a wider spectrum of products and access to increasingly substantial sources of liquidity.

### 3 September 2007

On 3 September 2007, Crédit Agricole S.A. announced that in accordance with authorisations given by the 23 May 2007 Annual General Meeting, it would offer Group employees in France and in 17 countries the opportunity to participate in a reserved capital increase. The amount of the issuance, including issue premium, was set at €400 million, with the possibility of an increase of up to €500 million should employee demand exceed the set level. The maximum number of issuable Crédit Agricole S.A. shares was €500 million including issue premium, divided by the price at which the shares were issued.

A reservation period was opened from 10 September to 21 September 2007. After the announcement of the subscription price on 19 October 2007, a subscription period took place from 22 October to 25 October 2007. The admission of the new shares to trading on the Euronext market of Euronext Paris will be requested upon issuance, scheduled to be on 5 December 2007. The shares will carry an entitlement to dividends as of 1 January 2007.

### 15 November 2007

Crédit Agricole S.A.'s Board of Directors met on 14 November 2007 to review the accounts for the first nine months (to 30 September) of 2007.

Over the first nine months, net income, Group share, was €4,901 million, up 29% on the same year-ago period. Excluding atypical items, i.e. the gain on disposal of the stake in Intesa in the first quarter, charges for LCL's 2007-2010 competitiveness plan and write-backs of provisions for home purchase savings plans, net income was up 4.5%. Over the period, net banking income (NBI) and gross operating income (GOI) expanded by over 18% (excluding atypical items), thereby confirming the Group's ability to generate a solid base of operating income, even during times of turbulence.

The third quarter was adversely affected by the turmoil in the US mortgage market and its ramifications on the overall financial system, including loan defaults, impairment of financial assets, the liquidity squeeze and increased cost

of liquidity as the interbank market temporarily almost dried up.

In this difficult climate, which adversely affected the performance of certain businesses in the corporate and investment banking and asset management segments, net income, Group share, in the third quarter of 2007 came to €954 million, down 16.8% on the third quarter of 2006. This includes the trading loss registered in New York in September.

Excluding this trading loss and a small impact from write-backs of provisions for home purchase savings plans, net income, Group share was 6.5% higher than in the same prior year period, owing to solid growth in operating results (NBI up 17.7%\*, operating income up 18.2%) (excluding atypical items) and the anticipated 8.6% fall in the contribution from equity affiliates following the deconsolidation of Intesa.

Thanks to the diversity of the Group's business activities, results showed good resilience despite the crisis in the US residential mortgage market.

Within corporate and investment banking, in the third quarter capital market activities booked an additional €546 million impairment charge for the ABS and CDO portfolios, in addition to the charge taken in the first half, for a total charge of nearly €850 million since the beginning of the year. At the same time, during the quarter, income for the other segments – fixed-income derivatives, cash management, foreign exchange and brokerage – rose to a near-record high. Likewise, in financing activities, income from structured finance reached an all-time quarterly high.

The other business lines, primarily asset management but also specialised financial services and international retail banking, delivered revenue growth of over 10% in the third quarter. In French retail banking, business momentum remained solid, with the launch of innovative products and the addition of new customers.

**Net banking income** increased by 6.9% over the third quarter of 2006 to €4,076 million. Adjusted for write-backs of provisions on home purchase savings plans and for the trading loss, NBI rose significantly by 17.7% to €4.4 billion, despite the negative credit market impact due to the crisis in the U.S. mortgage market. This growth reflects the Group's new dimension following its recent acquisitions, more specifically, all of the new international retail banking subsidiaries were consolidated over a full quarter for the first time.

During the third quarter, **operating expenses** grew by 14.5% over the third quarter of 2006 to €2,885 million. As a result, **gross operating income** decreased by 7.9% as compared to the third quarter of 2006 to €1,191 million. Excluding the impact of provisions on home purchase savings plans and the trading loss, GOI would have risen by 24.3%.

**Risk-related costs** were €275 million, an increase due to the combined effect of the change in scope of consolidation and the market environment.

in millions of euros	Three Months Ended 30 September 2007	Three Months Ended 30 September 2006	Change from prior year's Three Month Period	Change from prior year's Three Month Period excluding atypical items* and trading loss	Nine Months Ended 30 September 2007	Nine Months Ended 30 September 2006	Change from prior year's Nine Month Period	Change from prior year's Nine Month Period excluding atypical items*
<b>Net banking income</b>	<b>4,076</b>	<b>3,813</b>	<b>+6.9%</b>	<b>+17.7%</b>	<b>14,362</b>	<b>11,979</b>	<b>+19.9%</b>	<b>+18.5%</b>
Operating expenses	(2,885)	(2,520)	+14.5%	+14.5%	(9,382)	(7,509)	+24.9%	+18.5%
<b>Gross operating income</b>	<b>1,191</b>	<b>1,293</b>	<b>(7.9%)</b>	<b>+24.3%</b>	<b>4,980</b>	<b>4,470</b>	<b>+11.4%</b>	<b>+18.7%</b>
Risk-related costs	(275)	(170)	+61.8%	+61.8%	(709)	(465)	+52.5%	+52.5%
<b>Net operating income</b>	<b>916</b>	<b>1,123</b>	<b>(18.4%)</b>	<b>+18.2%</b>	<b>4,271</b>	<b>4,005</b>	<b>+6.6%</b>	<b>+14.4%</b>
Equity affiliates	364	403	(9.7%)		1,011	1,291	(21.7%)	
Net gain/(loss) on disposal of other assets	1	1	nm		1,071	41	nm	
Tax	(190)	(288)	(34.0%)		(1,033)	(1,247)	(17.2%)	
<b>Net income</b>	<b>1,091</b>	<b>1,239</b>	<b>(11.9%)</b>		<b>5,312</b>	<b>4,090</b>	<b>+29.9%</b>	
<b>Net income – Group share</b>	<b>954</b>	<b>1,146</b>	<b>(16.8%)</b>		<b>4,901</b>	<b>3,800</b>	<b>+29.0%</b>	
<b>Cost/income ratio</b>	<b>70.8%</b>	<b>66.1%</b>	<b>+ 4.7 pts</b>	<b>(1.9 pt)</b>	<b>65.3%</b>	<b>62.7%</b>	<b>+ 2.6 pts</b>	<b>(0.1 pt)</b>

**Over the first nine months of 2007, Crédit Agricole S.A.'s net income, Group share** rose sharply, with a 29% year-on-year surge to €4,901 million. This result includes a €1.5 billion gain on dilution and disposal of Crédit Agricole S.A.'s stake in Intesa booked in the first quarter as well as charges for LCL's competitiveness plan and write-backs of provisions on home purchase savings plans. Excluding these atypical items, the Group's net income was 4.5% higher even after the trading loss taken in the third quarter, yielding an annualised ROE of 14.9%. Return on capital allocated to the business lines was 17.7%.

**Operating results** grew strongly, with gross operating income excluding atypical items up 18.7% on the first nine months of 2006, driven by acquisitions and international activities as well as the performance in asset management and financing activities other than the credit markets businesses, which were adversely affected by the turmoil on the US subprime market.

**Net banking income** was €14,362 million, an impressive 19.9% rise on the first nine months of 2006. Restated for atypical items, NBI growth was 18.5%, reflecting the development of international retail banking and organic growth in the Group's business lines.

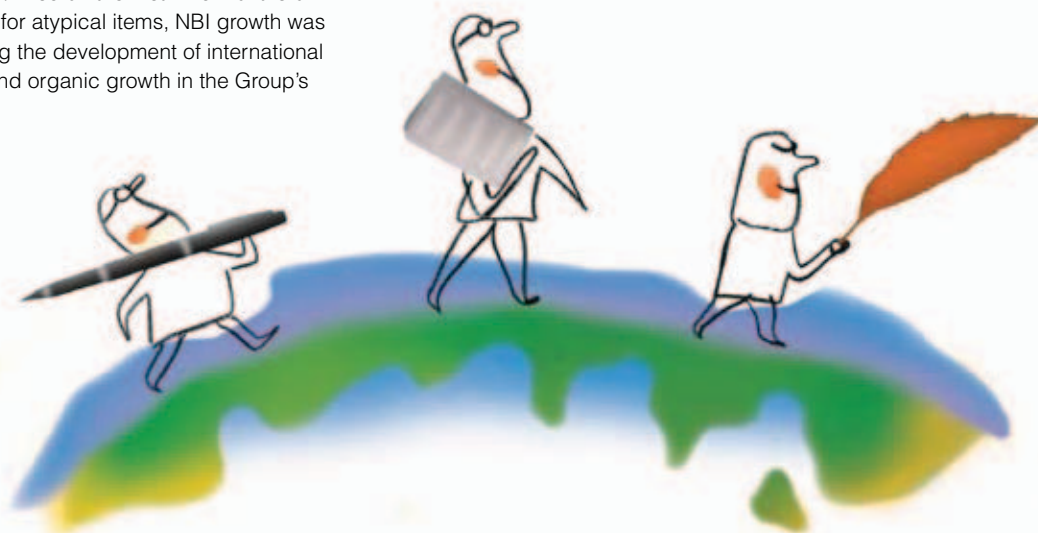
**Operating expenses** came to €9,382 million, including the €485 million booked in the second quarter for LCL's competitiveness plan. Excluding this provision, operating expenses grew in line with net banking income, i.e. by 18.5% over the first nine months of 2006. The cost/income ratio remained at 64.4% (excluding atypical items).

**Risk-related costs** were €709 million, significantly exceeding the €465 million registered in the same year-ago period. This reflects the expanded scope of consolidation, primarily following the acquisitions in international retail banking, and higher risk-related costs in capital markets.

**Equity affiliates' contribution to net income** receded by €280 million year-over-year, primarily due to the deconsolidation of Intesa.

**The 42% increase in minority interests** over the same period a year ago is due to additions to the Group's scope of consolidation, primarily in international retail banking (Cariparma and Emporiki).

\* Atypical items include write-backs of provisions for home purchase savings plans, LCL competitiveness plan and proceeds from the disposal of Intesa in Q1-07



## FINANCIAL STRUCTURE

At 30 September 2007, Crédit Agricole S.A.'s **capital**, Group share, amounted to €66.4 billion. **Shareholders' equity**, Group share, stood at €41.4 billion, a rise of €7.1 billion (+20.7%) since 1 January 2007.

Risk-weighted assets were €331.3 billion at 30 September 2007. Over the first nine months, they increased by €67.7 billion (+25.7%), owing mainly to acquisitions (Cariparma Friuladria) and to organic growth. In the third quarter, risk-weighted assets rose by €23.4 billion, primarily due to the change in market risks, credit outstandings in financing activities and changes in the scope of consolidation in international retail banking.

At 30 September 2007, the Group's solvency ratio was 8.9 % and its Tier One ratio was 8.2 %.

Further details regarding Crédit Agricole S.A.'s consolidated results and financial position for the nine months ended and as at 30 September 2007 are set forth in Crédit Agricole S.A.'s press release of 14 November 2007, available at <http://www.credit-agricole-sa.fr>. This press release also contains updated information regarding Crédit Agricole S.A.'s exposure to U.S. subprime mortgage debt.

The following are excerpts from the press releases regarding Credit Agricole S.A.'s financial statements for the six months ended 30 June 2007.

### 30 August 2007

Crédit Agricole S.A.'s Board of Directors met on 29 August 2007 to review the accounts for the six months ended 30 June 2007. Crédit Agricole S.A. generated net income (Group share) of €3,947 million, an increase of 48.7% compared with the same period in 2006. Excluding atypical items (primarily the gain on the disposal of the stake in Intesa in the first quarter and charges for LCL's 2007-2010 competitiveness plan), net income expanded by 17.9%, following an excellent performance in the second quarter.

At €1,292 million, net income (Group share) rose by 20.3%\* (excluding atypical items) compared with the same period in 2006. During the second quarter, net banking income reached an all-time high, with a rise of 21.9%\* (excluding atypical items) driven by robust business momentum and acquisitions. Operating income advanced by 20.7%\* (excluding atypical items) compared with the same period in 2006.

## FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2007

## SUMMARY FINANCIAL DATA

### Consolidated Balance Sheet

in millions of euros	As of 31 December 2006*	As of 30 June 2007 (unaudited)
Interbank assets	292,207	306,515
Customer loans	248,145	287,023
Financial assets at fair value through profit and loss	417,852	465,913
Available for sale financial assets	173,530	181,265
Held to maturity financial assets	18,007	19,863
Other assets,	111,555	131,271
<b>TOTAL ASSETS</b>	<b>1,261,296</b>	<b>1,391,850</b>
Financial liabilities at fair value through profit and loss	297,284	313,902
Interbank liabilities	134,239	170,560
Customer deposits and other liabilities	350,811	372,046
Debt securities	162,824	181,434
Technical reserves of insurance companies	186,154	195,250
Reserves	4,154	4,958
Other liabilities	61,508	84,278
Subordinated debt	24,470	22,207
Minority interests	4,774	5,311
Shareholders' equity	35,078	41,904
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,261,296</b>	<b>1,391,850</b>



## Income Statement

in millions of euros	As of 31 December 2006*	As of 30 June 2007 (unaudited)
<b>NET BANKING INCOME</b>	<b>16,187</b>	<b>10,286</b>
<b>GROSS OPERATING INCOME</b>	<b>5,832</b>	<b>3,789</b>
Risk-related costs	(612)	(434)
<b>OPERATING INCOME</b>	<b>5,220</b>	<b>3,355</b>
<b>PRE-TAX INCOME</b>	<b>6,912</b>	<b>5,072</b>
Income tax	(1,590)	(843)
<b>NET INCOME</b>	<b>5,319</b>	<b>4,221</b>
Minority interests	(399)	(274)
<b>NET INCOME-GROUP SHARE</b>	<b>4,920</b>	<b>3,947</b>

\* From 1 January 2007, Crédit Agricole S.A. changed its method of accounting for goodwill and minority interests. Crédit Agricole S.A.'s consolidated financial statements for the year ended 31 December 2006 were restated to take this change of accounting method into account. In accordance with IAS 8, the impact of this change in method has been measured since the date of first-time application of IFRS (1 January 2004). The financial information for the year ended 31 December 2006 in the tables above does not reflect this restatement. Crédit Agricole S.A.'s condensed interim financial statements for the six-months ended 30 June 2007 are intended to update the information provided in the company's consolidated financial statements for the year ended 31 December 2006 and must be read in conjunction with those financial statements. The condensed interim financial statements and an explanation of the full impact of the restatement can be found at <http://www.credit-agricole-sa.fr>.

## Capitalisation

The table below sets forth the consolidated capitalisation of the Issuer as at 30 June 2007. Except as set forth in this section, there has been no material change in the capitalisation of Crédit Agricole S.A. since 30 June 2007.

in millions of euros	As of 30 June 2007 (unaudited)
Debt securities	181,434
Subordinated debt	22,207
<b>Total</b>	<b>203,641</b>
Shareholders' equity: <sup>1</sup>	
Share capital and reserves	21,042
Consolidated reserves	13,363
Unrealised or deferred gains and losses	3,552
Net income	3,947
<b>Total Shareholders' Equity</b>	<b>41,904</b>
Minority interests	5,311
<b>Total Capitalisation</b>	<b>250,856</b>

1. All issued capital of Crédit Agricole S.A. is fully paid up.

# PART 4 – ANSWERS TO IMPORTANT QUESTIONS

## 1. What sort of investment is this?

The Notes constitute direct, unsecured and deeply subordinated obligations of Crédit Agricole S.A.

### Interest

The Interest Rate on the Notes will be as follows:

- (a) from (and including) the Issue Date (19 December 2007) to (but excluding) 19 December 2017: the Initial Rate, which is equal to the sum of the Benchmark Rate (the five-year swap rate), which is reset at five-yearly intervals, plus the Margin;
- (b) from (and including) 19 December 2017: the Floating Rate, which is equal to the sum of 3-month Bank Bill Rate which is reset quarterly, plus the Margin.

A description of the interest rates which apply to the Notes, how they are determined, and when they apply is set out on page 22 under the heading *What returns will I get?*

Interest is scheduled to be paid on the Notes quarterly in arrear on each Interest Payment Date. However, interest may not necessarily be paid on the Notes on each Interest Payment Date.

Whether or not interest will be payable on an Interest Payment Date depends on whether, at the relevant time:

- (a) payment of interest on the Notes is compulsory;
- (b) payment of interest on the Notes is optional; or
- (c) payment of interest on the Notes is suspended following the occurrence of a Supervisory Event.

The circumstances in which the payment of interest on the Notes is compulsory, is optional, or is suspended following the occurrence of a Supervisory Event, are described on page 23 under the heading *What returns will I get?* and on page 28 under the heading *What are my risks?*

Except as described on page 23, any interest which is not paid on the Notes when the payment of interest is optional is forfeited and will no longer be due and payable by the Issuer.

### Redemption

The Notes are perpetual securities which have no scheduled repayment date. However, Crédit Agricole S.A. has the option to redeem the Notes in certain circumstances (including on the First Call Date (19 December 2017) and each Interest Payment Date thereafter) and is required to redeem the Notes in other circumstances. The ability of Crédit Agricole S.A. to redeem the Notes is subject to Crédit Agricole S.A. satisfying certain conditions, including obtaining prior approval of the General Secretariat of the French Banking Commission (the "SGCB"). These conditions, and the circumstances in which Crédit Agricole S.A. is entitled, or required, to redeem the Notes, are described on page 25 under the heading *What returns will I get?* and on page 29 under the

heading *What are my risks?* and in Condition 6.

Noteholders have no right to require redemption of the Notes, except if a judgment is issued for the insolvent judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason. See Condition 9.

This means that Noteholders have no ability to cash in their investment, except:

- (a) if Crédit Agricole S.A. exercises its right, or is required, to redeem the Notes;
- (b) following an event of default; or
- (c) by selling their Notes in the secondary market.

### Loss Absorption

In certain circumstances interest accrued on the Notes and the Current Principal Amount of the Notes can be reduced. This is described on page 23 and in Condition 5.

### Guarantee

There is no specific guarantee in respect of the Notes. However, the Regional Banks have issued a joint and several general guarantee backed by their equity, which covers the obligations of the Issuer to third parties, including Noteholders, as described on page 29 under the heading *What are my risks?*

## 2. Who is involved in providing it for me?

### Issuer

The Issuer is Crédit Agricole S.A., whose registered office is:

Crédit Agricole S.A.  
91-93 boulevard Pasteur  
75015 Paris  
France

and may be also contacted through Computershare Investor Services Limited at Level 2, 159 Hurstmere Road, Takapuna, Private Bag 92119, Auckland 1142.

Crédit Agricole S.A., created in 1920, is the lead bank of the Crédit Agricole Group, which is France's largest banking group, and one of the largest in the world based on shareholders' equity. The Crédit Agricole Group includes the 38 Caisses Régionales in which Crédit Agricole S.A. holds 25% interests, plus the Caisse Régionale of Corsica all strongly anchored in their respective geographical areas, and a range of subsidiaries active in the areas of insurance, asset management, consumer finance, corporate and investment banking, lease finance and factoring. A fuller description of Crédit Agricole S.A. is set out above in Part 3 - Corporate Profile.

Crédit Agricole S.A. is not registered as a registered bank under the Reserve Bank of New Zealand Act 1989.

### Registrar

The Registrar of the Notes is Computershare Investor Services Limited, Level 2, 159 Hurstmere Road, Takapuna, Private Bag 92119, Auckland 1142.

The Registrar will not be liable for any breach by Crédit Agricole S.A. of any warranty, obligation or undertaking under the Notes or any other agreement, including the non-payment of money due, nor will the Registrar be liable for any negligent act, error or omission on the part of Crédit Agricole S.A., nor for acting in accordance with any instruction or direction of Crédit Agricole S.A. or with the consent or approval of Crédit Agricole S.A.

#### **Trustee**

The Trustee is New Zealand Permanent Trustees Limited, whose address is:

New Zealand Permanent Trustees Limited  
Level 35, Vero Centre  
48 Shortland Street  
Auckland

Save as otherwise provided in the Trust Deed, only the Trustee may take action or pursue the remedies available under general law or under the provisions of the Trust Deed or the Notes in order to enforce the rights of Noteholders or the obligations of Crédit Agricole S.A. under the Trust Deed or the Notes. Save as otherwise provided in the Trust Deed, no Noteholder shall be entitled to take action or proceedings directly against Crédit Agricole S.A. to enforce any of the provisions of the Trust Deed or the Notes.

The rights and claims of the Trustee under the Trust Deed in respect of the principal of and interest on the Notes are, like the rights and claims of the Noteholders under the Notes, direct, unsecured and deeply subordinated obligations of Crédit Agricole S.A. and rank and will rank *pari passu* among themselves and with all other present and future Support Agreement Claims and Deeply Subordinated Obligations, senior to the principal in respect of the T3CJ capital securities of Crédit Agricole S.A., and shall be subordinated to the present and future prêts participatifs (participating loans) granted to Crédit Agricole S.A. and present and future titres participatifs (participating securities), Ordinarily Subordinated Obligations and Unsubordinated Obligations of Crédit Agricole S.A.

Under the Trust Deed, upon the publication of notices relating to the occurrence of certain events or circumstances (a Supervisory Event, an End of Supervisory Event, Loss Absorption, a Reinstatement, a Return to Financial Health or the redemption of the Notes pursuant to Condition 6.2 (b)), Crédit Agricole S.A. shall deliver to the Trustee a certificate signed by two of its authorised signatories stating that the relevant event or circumstance exists or, where relevant, that the relevant requirement or circumstance giving rise to the redemption of the Notes is satisfied. The Trustee shall be entitled to accept such certificate without any further enquiry as sufficient evidence of the facts contained therein in which event such certificate shall be conclusive and binding on the Trustee and the Noteholders. The Trustee shall not be under any duty to monitor whether any of

the events or circumstances mentioned above has occurred or exists and will not be responsible to the Noteholders for any loss arising from any failure by it to do so. Unless and until the Trustee has actual knowledge of the occurrence of such event or circumstance, it shall be entitled to assume that no such event or circumstance exists.

### **3. How much do I pay?**

#### **Issue price and minimum investment**

The issue price of each Note is \$1.00.

Applications to subscribe for Notes must be for a minimum principal amount of \$5,000, and in multiples of \$1,000 thereafter and payment of the total application amount in full must accompany the Application Form. There is no limit on the maximum amount of Notes you may apply for; however, applications for less than \$5,000 will not be accepted.

Applications must be made on the Application Form contained at the back of this Investment Statement.

#### **Payments**

Applicants who are members of the Austraclear System, or who are able to have payments made on their behalf through the Austraclear System, may settle their applications for Notes on the Issue Date through the Austraclear System. Applicants who are not members of the Austraclear System or Austraclear members who wish to settle their applications prior to the Issue Date, must pay for the Notes applied for by a personal cheque or, if the application is for Notes of an aggregate principal amount of \$500,000 or more, by bank cheque or other method acceptable to the Joint Lead Managers. Cheques should be in New Zealand dollars drawn on a New Zealand branch of a financial institution and submitted with the completed Application Form. Cheques should be made payable to "Crédit Agricole S.A. Tier 1 Offer" and crossed "Not Transferable" and must not be post-dated.

#### **Where to send your Application Form and payment**

Cheques should be delivered or sent, together with the Application Form, to:

Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road  
Takapuna  
Private Bag 92119  
Auckland 1142

Applications for Notes may also be lodged with any NZX Firm, the Joint Lead Manager and Organising Participant and the Co-Managers or any other channel approved by NZX. Applications must be sent or delivered in time to enable the application to be forwarded to the Registrar for receipt by 12:00 pm Auckland time on the Closing Date (13 December 2007, unless the offer is closed early).

## Applications

Crédit Agricole S.A. reserves the right to refuse all or any part of any application without giving a reason including (but without limitation) where an applicant has not provided account details for payments by direct credit.

Crédit Agricole S.A. will pay interest at the Official Cash Rate on application money received in respect of accepted applications for Notes from (and including) the date the cheque is banked or the application is settled through the Austraclear System until (but excluding) the Issue Date. Such interest (less any applicable withholding tax) will be paid to successful applicants within five Business Days after the Issue Date and will be paid into the bank account nominated by such applicants on the Application Form.

Any application money received in respect of an application which is not accepted by Crédit Agricole S.A., whether because of late receipt or otherwise, will be returned (without interest) to the applicant as soon as reasonably practicable after Crédit Agricole S.A. decides not to accept the application and, in any event, within 14 calendar days of the Closing Date.

If Crédit Agricole S.A. accepts an application in part, the balance of the application money (without interest) will be refunded as soon as reasonably practicable and, in any event, within 14 calendar days of the Closing Date.

Where an applicant's payment for Notes is dishonoured, Crédit Agricole S.A. may forfeit any Notes issued to that applicant, and may pursue the defaulting applicant for damages suffered by Crédit Agricole S.A.

Crédit Agricole S.A. intends to pay brokerage to NZX Firms in respect of applications for Notes. This will not affect your return on the Notes.

Applications cannot be withdrawn or revoked.

## No cooling off

There is no cooling off period during which an investor can cancel his or her investment in Notes.

## 4. What are the charges?

Applicants pay no fees or charges to invest in the Notes. NZX Primary Market Participants and approved financial intermediaries will receive a brokerage fee from Crédit Agricole S.A. of 1.25% of the issue price of Notes allotted pursuant to applications submitted bearing their stamp.

However, applicants may have to pay a brokerage fee or commission to the person who recommends the investment or arranges the application. Brokerage is also likely to be payable on any subsequent transfer of any Notes effected through an NZX Firm.

## 5. What returns will I get?

### Overview

The information set out in this section should be read in conjunction with the information set out on page 28 under the heading *What are my*

*risks?* and Conditions 4 to 9. Certain events could reduce or eliminate the returns intended to be derived from holding the Notes.

It is not possible to quantify as at the date of this Investment Statement the exact amount of returns Noteholders will receive, and therefore no such amount can be promised by Crédit Agricole S.A.

### Interest Rate

#### *For the First Ten Years – The Initial Rate*

For the period from (and including) the Issue Date (19 December 2007) to (but excluding) the First Call Date (19 December 2017) the Interest Rate on the Notes will be the Initial Rate.

The Initial Rate will be equal to the sum of the applicable Benchmark Rate, which is set on the Issue Date and the fifth anniversary of the Issue Date, plus the Margin. The Benchmark Rate is the five-year swap rate, and is described in more detail in the Conditions. The Benchmark Rate will be determined by the Calculation Agent on the Issue Date and on the fifth anniversary of the Issue Date.

The Margin will be a percentage rate per annum determined by Crédit Agricole S.A. in consultation with the Joint Lead Managers prior to the Issue Date and will not subsequently change. The Margin will be advised by NZX announcement. Your NZX adviser or other financial adviser can also notify you of the Margin once it has been determined.

#### *After the First Ten Years - The Floating Rate*

For the period from (and including) the First Call Date (19 December 2017), the Interest Rate on the Notes will be the Floating Rate.

The Floating Rate will be equal to the sum of the applicable 3-month Bank Bill Rate, which is reset quarterly, plus the Margin. The 3-month Bank Bill Rate will be determined by the Calculation Agent on the First Call Date and at 3-monthly intervals thereafter.

The Margin for the Floating Rate will be the same as the Margin for the Initial Rate and will not subsequently change.

### Interest Payments

Interest is scheduled to be paid by the Issuer on the Notes quarterly in arrear on each Interest Payment Date. However, interest may not necessarily be paid on the Notes on each Interest Payment Date. Whether or not interest will be payable on an Interest Payment Date depends on whether, at the relevant time:

- (a) payment of interest on the Notes is compulsory;
- (b) payment of interest on the Notes is optional; or
- (c) payment of interest on the Notes is suspended following the occurrence of a Supervisory Event.

The circumstances in which the payment of interest on the Notes is compulsory, is optional, or is suspended following the occurrence of a



Supervisory Event, are described below and on page 28 under the heading *What are my risks?*

Except as described below any interest which is not paid on the Notes when the payment of interest is optional is forfeited and will no longer be due and payable by the Issuer.

The payment of interest will be compulsory on an Interest Payment Date (a "**Compulsory Interest Payment Date**") if at any time during a period of one year prior to such Interest Payment Date:

- (a) Crédit Agricole S.A. has declared or paid a dividend (whether in cash, shares or any other form but excluding a dividend paid only in newly issued shares), or more generally made a payment of any nature, on any class of share capital or on other equity securities issued by Crédit Agricole S.A., or on the T3CJ capital securities, or on Deeply Subordinated Obligations or under any Support Agreement, in each case to the extent categorised as Tier 1 Capital, unless such payment on Deeply Subordinated Obligations or under Support Agreements was required to be made as a result of a dividend or other payment having been made on any class of share capital or on other equity securities or on any Deeply Subordinated Obligations issued by Crédit Agricole S.A., or on any Parity Securities; or
- (b) Crédit Agricole S.A. has redeemed, repurchased or otherwise acquired any class of its share capital or the T3CJ capital securities, by any means, with the exception of repurchases of share capital for purposes of making shares available to cover employee stock option, stock attribution or stock purchase programmes, regularisation of Crédit Agricole S.A.'s share price, investment activities or holding shares with a view to their resale or exchange, particularly in connection with external growth transactions or the issuance of securities convertible into or exchangeable for Crédit Agricole S.A.'s share capital; or
- (c) any subsidiary of Crédit Agricole S.A. has declared or paid a dividend on any Parity Securities, unless such dividend was required to be paid as a result of a dividend or other payment having been made on any class of share capital or other equity securities or any Deeply Subordinated Obligations issued by Crédit Agricole S.A. or on any other Parity Securities qualifying as consolidated Tier 1 Capital of Crédit Agricole S.A.,

provided, however, that if a Supervisory Event occurred prior to such Interest Payment Date and is continuing, such Interest Payment Date shall only be a Compulsory Interest Payment Date if such Supervisory Event had occurred prior to the relevant event described in sub-paragraph (a), (b) or (c) above.

Interest accrued and payable on any Compulsory Interest Payment Date is not subject to reduction as described below.

On any Interest Payment Date which is not a Compulsory Interest Payment Date (an "**Optional Interest Payment Date**") Crédit Agricole S.A. may, at its option, pay interest in respect of the Notes accrued to that date in respect of the Interest Period ending immediately prior to such Optional Interest Payment Date, but Crédit Agricole S.A. shall have no obligation to make such payment and any such failure to pay shall not constitute a default by Crédit Agricole S.A. under the Notes or for any other purpose.

Except as otherwise provided below, any interest not paid on an Optional Interest Payment Date will be forfeited and accordingly will no longer be due and payable by Crédit Agricole S.A.

If a Supervisory Event has occurred during the Interest Period immediately preceding an Optional Interest Payment Date:

- (i) the accrual of interest, if any, in respect of the Notes shall automatically be suspended; and
- (ii) no interest on the Notes shall accrue nor be payable by Crédit Agricole S.A. with respect to the remaining period in such Interest Period or any other Interest Period during the period starting on the date of the Supervisory Event and ending on the date of the End of Supervisory Event, unless an event triggering a Compulsory Interest Payment Date subsequently occurs.

At the option of Crédit Agricole S.A., the amount of interest accrued to the date of the occurrence of a Supervisory Event ("**Accrued Interest**"), to the extent not reduced to absorb losses as described below, may be paid on the first Optional Interest Payment Date falling on or after the date of the End of Supervisory Event. Any Accrued Interest not paid by Crédit Agricole S.A. on such first Optional Interest Payment Date will be forfeited.

In respect of any Optional Interest Payment Date which occurs on or after the End of Supervisory Event, interest on the Notes will recommence accruing on their Current Principal Amount, on the basis of the number of days elapsed during the period from (and including) the date of End of Supervisory Event to (but excluding) the next succeeding Interest Payment Date. At the option of the Issuer, such interest may be paid on the next succeeding Optional Interest Payment Date occurring as from the date of the End of Supervisory Event (inclusive). Any such interest not paid by the Issuer on such first Optional Interest Payment Date will be forfeited.

#### **Principal and Interest Write-down (Reduction)**

Upon occurrence of a Supervisory Event, Crédit Agricole S.A. shall endeavour to complete a share capital increase or other transactions aimed at increasing the Tier 1 Capital to remedy such Supervisory Event. If such measures are insufficient, the amount of any Accrued Interest and, as the case may be, the then Current Principal Amount shall be reduced in order to remedy the Supervisory Event, as specified in Condition 5.

### Supervisory Event

A Supervisory Event occurs if:

- (a) the total risk-based consolidated capital ratio of Crédit Agricole S.A., calculated in accordance with the Applicable Banking Regulations, falls below the minimum percentage required in accordance with Applicable Banking Regulations; or
- (b) the SGCB notifies Crédit Agricole S.A. that the SGCB has determined, in its sole discretion, in view of the deteriorating financial condition of Crédit Agricole S.A., that the foregoing paragraph (a) would apply in the near term.

A Supervisory Event shall be deemed to occur pursuant to paragraph (a) above on the date on which Crédit Agricole S.A. determines that the total risk-based consolidated capital ratio has fallen below the relevant level.

### End of Supervisory Event

An End of Supervisory Event occurs on the first date on which either of the following events occurs:

- (a) if the Supervisory Event occurred pursuant to paragraph (a) of the definition of Supervisory Event, the total risk-based consolidated capital ratio of Crédit Agricole S.A., calculated in accordance with the Applicable Banking Regulations, complies with the minimum percentage required in accordance with Applicable Banking Regulations; or
- (b) if the Supervisory Event occurred pursuant to paragraph (b) of the definition of Supervisory Event, the notification by the SGCB to Crédit Agricole S.A. that it has determined, in its sole discretion, in view of the financial condition of Crédit Agricole S.A., that the circumstances which resulted in the Supervisory Event have ended.

An End of Supervisory Event shall be deemed to occur pursuant to paragraph (a) above on the date on which Crédit Agricole S.A. determines that the total risk-based consolidated capital ratio has been restored to the relevant level.

### Principal Write-up (Reinstatement)

The Current Principal Amount of the Notes may be reinstated if Crédit Agricole S.A. reports a positive Consolidated Net Income for at least two consecutive financial years following the End of Supervisory Event (i.e., a Return to Financial Health), to the extent any such reinstatement does not trigger the occurrence of a Supervisory Event.

Whether or not a Return to Financial Health has occurred, Crédit Agricole S.A. shall increase the Current Principal Amount of the Notes up to the Original Principal Amount in certain circumstances, including payment of dividends on share capital, or payment by any subsidiary of Crédit Agricole S.A. of dividends on Parity Securities or redemption of

the Notes. See Condition 5.2.

### General

If interest is payable on the Notes, it will be paid to the person registered as the Noteholder on the relevant Record Date as determined in accordance with Condition 7.

### Regulatory treatment of the Notes

The proceeds of the issue of the Notes will be treated, for regulatory purposes, as consolidated *fonds propres de base* ("**Tier 1 Capital**") for the Issuer, subject to the limits on the portion of Crédit Agricole S.A.'s Tier 1 Capital that may consist of hybrid securities (i.e., the Hybrid Securities Limit) in accordance with Applicable Banking Regulations and the interpretations of the SGCB.

### Status and subordination

The Notes are deeply subordinated notes of Crédit Agricole S.A. issued pursuant to the provisions of Article L. 228-97 of the French Commercial Code (*Code de Commerce*), as amended in particular by Law no. 2003-706 on financial security dated August 1, 2003.

The principal and interest on the Notes (which constitute *obligations* under French law) are direct, unconditional, unsecured, perpetual and deeply subordinated obligations of Crédit Agricole S.A. and rank and will rank:

- *pari passu* among themselves;
- *pari passu* with all other present and future Deeply Subordinated Obligations and Support Agreement Claims;
- junior and subordinate to the present and future *prêts participatifs* (participating loans) granted to Crédit Agricole S.A. and present and future *titres participatifs* (participating securities), Ordinarily Subordinated Obligations and Unsubordinated Obligations of Crédit Agricole S.A.;<sup>3</sup>
- senior to reimbursement of the principal in respect of an issue of €1,839 million of hybrid T3CJ capital securities of Crédit Agricole S.A.

In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to any classes of share capital by Crédit Agricole S.A. and any reimbursement of T3CJ capital securities.

There will be no limitations on issuing debt, at the level of Crédit Agricole S.A. or of any consolidated subsidiaries.

### No scheduled repayment date

The Notes are perpetual securities which have no scheduled repayment date.

### Redemption

The Issuer may, at its option, redeem all of the Notes (but not some only) on the First Call Date and on each Interest Payment Date thereafter.

<sup>3</sup> The *prêts participatifs* (participating loans) and *titres participatifs* (participating securities) are old forms of deeply subordinated securities in the forms of debt and equity, respectively. Each of these gives economic rights to holders based on the performance of the Issuer. Crédit Agricole S.A. does not have any participating loans or participating securities outstanding. While it is theoretically possible for Crédit Agricole S.A. to issue these types of securities again, it has been a very long time since a French company has done so.

The Issuer will also have the right to redeem all of the Notes (but not some only) at any time up to the First Call Date:

- (a) if as a result of any change in French law or any change in Applicable Banking Regulations, the Notes cease to be eligible as Tier 1 Capital for the Issuer (except as a result of the application of the Hybrid Securities Limit);
- (b) if as a result of any change in French law, interest payment under the Notes is no longer tax-deductible by the Issuer for the purposes of French corporate income tax;
- (c) if as a result of any change in French law, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes not be able to make such payment without having to pay additional amounts as specified under Condition 8; or
- (d) if as a result of any change in New Zealand law the Issuer becomes liable to pay any New Zealand tax that entitles it to receive indemnification from Noteholders.

The Issuer shall redeem all of the Notes (but not some only) if, on the next payment of principal or interest on the Notes it will be prevented by French law from making payment to the Noteholders of the full amount then due and payable.

In each case the redemption price will be equal to the Original Principal Amount plus accrued and unpaid interest.

Any redemption of the Notes by the Issuer is subject to the prior approval of the SGCB. In addition, Crédit Agricole S.A. may, having obtained the prior consent of the SGCB (if required) and in compliance with applicable Listing Rules, at any time purchase any of the Notes in the open market or otherwise at any price whereupon such Notes will be cancelled.

Noteholders have no right to require Crédit Agricole S.A. to redeem their Notes unless an event of default occurs. There will be an event of default in the event of the judicial liquidation (*liquidation judiciaire*) or liquidation for any other reason of Crédit Agricole S.A.

This means that Noteholders have no ability to cash in their investment, except:

- (a) if Crédit Agricole S.A. exercises its right, or is required, to redeem the Notes;
- (b) following an event of default; or
- (c) by selling their Notes in the secondary market.

Noteholders are entitled to sell their Notes as set out in Condition 2.

#### Events of Default

There will be an event of default in the event of the judicial liquidation (*liquidation judiciaire*), or liquidation for any other reason, of Crédit Agricole S.A. in which case the Notes shall become immediately due and payable as described in

Condition 9. There will be no other events of default.

#### Key factors that determine returns

The key factors that determine the returns on a Noteholder's investment are:

- the Interest Rate applicable to the Notes;
- whether the payment of interest on the Notes by Crédit Agricole S.A. is compulsory, is optional or is suspended following the occurrence of a Supervisory Event;
- Crédit Agricole S.A.'s financial condition and credit ratings;
- whether the Notes are redeemed;
- any applicable taxes;
- fluctuations in the price of the Notes if sold on the secondary market, as described under the heading "*Transferring Notes*" below;
- the other risk factors described under the heading *What are my risks?* on page 28; and
- if the Current Principal Amount is less than the Original Principal Amount.

#### Taxation of Returns - New Zealand taxation

The return on the Notes may be affected by taxes. The below summary is based on independent advice Crédit Agricole S.A. has received from its New Zealand solicitors. The comments below are of a general nature and are based on provisions currently in force in New Zealand as at the date of this Investment Statement. They relate to the position of persons who are the beneficial owners of the Notes. The comments are not exhaustive and, in particular, may not deal with the position of certain classes of Noteholders. Noteholders should consult their own professional advisers in relation to the New Zealand taxation implications of acquiring, holding or disposing of the Notes in their own particular circumstances.

One of two kinds of New Zealand withholding tax potentially applies to interest paid on a Note and the application money held until (but excluding) the Issue Date. Neither Crédit Agricole S.A. nor the Registrar will make any additional payment to Noteholders on account of the deduction of such withholding tax or any approved issuer levy (see further below). All Noteholders (including those resident outside New Zealand) must give written notice to the Registrar (or, where applicable, to the custodian/nominee registered as the Noteholder in respect of Notes that are held by the custodian/nominee on behalf of the beneficial owner of such Notes) of their country of residence for taxation purposes and, if not New Zealand tax resident, whether the Noteholder is engaged in business in New Zealand through a branch or other fixed establishment in New Zealand. This requirement for written notice is satisfied for initial Noteholders where the relevant parts of the Application Form are completed by applicants.

Under Condition 7.7, each Noteholder indemnifies Crédit Agricole S.A. or the Registrar (as the case may be) in respect of any payment which Crédit Agricole S.A. or the Registrar becomes liable

to make of or on account of New Zealand tax payable by that Noteholder in relation to any Note. Crédit Agricole S.A. or the Registrar (as the case may be) may deduct any indemnity payment from future amounts payable to that Noteholder.

#### **1. Resident withholding tax**

Resident withholding tax potentially applies to interest paid on the Notes and on application money (see "Early Bird Interest" in Part 2 on page 5) to a Noteholder who:

- (a) is resident in New Zealand for New Zealand income tax purposes; or
- (b) is not resident in New Zealand for New Zealand income tax purposes but who is engaged in business in New Zealand through a fixed establishment in New Zealand.

Resident withholding tax is not applicable if the Noteholder is the holder of a valid certificate of exemption or is a registered bank for the purposes of the Reserve Bank of New Zealand Act 1989. Where appropriate, the Noteholder should provide a copy of their certificate of exemption to the Registrar (or, as applicable, the custodian/nominee) before the first Interest Payment Date on which they hold Notes.

If the Noteholder has provided a copy of their certificate of exemption, and the certificate of exemption is subsequently cancelled, the Noteholder is required by New Zealand law to notify the Registrar (or, as applicable, the custodian/nominee) of the cancellation within five working days of receipt of the notice of cancellation.

If applicable, resident withholding tax will be deducted from a payment of interest on the Notes at a rate of 19.5%, 33% or 39%, at the Noteholder's election, if the Noteholder's IRD Number is supplied to the Registrar. However, a company cannot elect the 19.5% rate. A "non-declaration" 39% rate applies if the Noteholder's IRD Number is not supplied.

Neither Crédit Agricole S.A. nor the Registrar will make any additional payments to Noteholders on account of the deduction of New Zealand resident withholding tax.

#### **2. Non-resident withholding tax**

Non-resident withholding tax applies to interest that is paid in respect of the Notes and on application money (see "Early Bird Interest" in Part 2 on page 5) to a Noteholder who:

- (a) is not resident in New Zealand for New Zealand income tax purposes; and
- (b) is not engaged in business in New Zealand through a fixed establishment in New Zealand.

The New Zealand Income Tax Act 2004 provides that non-resident withholding tax shall be deducted from a payment of interest on the Notes at a rate of 15% and accounted for to the New Zealand Inland Revenue Department. If non-resident withholding tax is deducted, the Noteholder agrees that the net payment becomes

the interest payable to the Noteholder and that no further payment is required to be made by Crédit Agricole S.A. or the Registrar (or, as applicable, the custodian/nominee) to compensate the Noteholder for the reduction on account of non-resident withholding tax.

However, double tax agreements to which New Zealand is a party may operate to prevent the imposition of non-resident withholding tax in respect of interest paid on the Notes.

At the date of this Investment Statement, that should be the case for institutional Noteholders or other Noteholders for whom interest on the Notes is in the nature of business profits, who do not have a permanent establishment in New Zealand, and who are tax resident in Australia, Belgium, Chile, China, Denmark, Finland, France, Germany, India, Indonesia, Ireland, Italy, Korea, Mexico, the Netherlands, Norway, the Philippines, Poland, Russia, South Africa, Spain, Switzerland, Taiwan, Thailand, United Arab Emirates, the United Kingdom or the United States. However, Noteholders should seek their own independent taxation advice in that respect, by reference to their particular circumstances and any relevant double tax agreement.

A Noteholder who believes that a double tax agreement has that effect should provide the Registrar (or, as applicable, the custodian/nominee) with satisfactory evidence supporting that position (including, but not limited to, evidence of their country of residence for taxation purposes). If it eventuates that any relevant double tax agreement does not have that effect, the relevant Noteholder must indemnify Crédit Agricole S.A. and/or the Registrar (or, as applicable, the custodian/nominee) for any taxation and related interest, penalties, costs and expenses that arise as a result.

The New Zealand Income Tax Act 2004 also provides that non-resident withholding tax shall be deducted from a payment of interest on application money (see "Early Bird Interest" in Part 2 on page 5) at a rate of 15% and accounted for to the New Zealand Inland Revenue Department. A double tax agreement between New Zealand and the country in which a Noteholder is tax resident may operate to reduce the rate of non-resident withholding tax applicable to such interest to 10%. A Noteholder who believes that a double tax agreement has that effect should provide the Registrar (or, as applicable, the custodian/nominee) with satisfactory evidence supporting that position (including, but not limited to, evidence of their country of residence for taxation purposes) together with their Application Form.

#### **Approved issuer levy**

Approved issuer levy may apply instead of non-resident withholding tax.

If Crédit Agricole S.A. (at its discretion) makes appropriate elections, the Notes may become "registered securities" subject to the approved issuer levy taxation regime. If so, and if Crédit Agricole S.A. is lawfully able to pay the levy

in respect of the payment of interest on the Notes to a Noteholder, the interest otherwise payable to the Noteholder will be reduced by an appropriate amount of approved issuer levy, in lieu of the deduction of non-resident withholding tax as described above. Crédit Agricole S.A. or the Registrar (or, as applicable, the custodian/nominee) will pay the approved issuer levy to the New Zealand Inland Revenue Department.

The current rate of approved issuer levy is 2%.

If approved issuer levy is applied, the Noteholder agrees that the net payment becomes the interest payable to the Noteholder and that no further payment is required to be made by Crédit Agricole S.A. or the Registrar (or, as applicable, the custodian/nominee) to compensate the Noteholder for the reduction on account of approved issuer levy.

#### ***Election regarding deduction of non-resident withholding tax / approved issuer levy***

If a Noteholder makes a request to the Registrar (or, as applicable, the custodian/nominee) in writing no later than 5 Business Days prior to the Record Date in respect of an Interest Payment Date, the Registrar (or, as applicable, the custodian/nominee) will deduct non-resident withholding tax, instead of the approved issuer levy, from the interest payable to that Noteholder on such Interest Payment Date (and, if stipulated in the request, all subsequent Interest Payment Dates until the request is revoked in writing by the Noteholder no later than 5 Business Days prior to the Record Date (in respect of a particular Interest Payment Date) on and from which the revocation is to take effect). This requirement for written notice is satisfied for initial Noteholders where the relevant parts of the Application Form are completed by applicants.

If such a request is not made or has been revoked, then the Registrar (or, as applicable, the custodian/nominee) will deduct approved issuer levy as described above. In other words, if Crédit Agricole S.A. has registered the Notes for approved issuer levy purposes as described above, the default position is for the levy to be deducted.

### **3. Income tax**

The “financial arrangements rules” may apply to a Noteholder who:

- (a) is resident in New Zealand for New Zealand income tax purposes; or
- (b) is not resident in New Zealand for New Zealand income tax purposes but who holds Notes for the purposes of a business carried on in New Zealand through a fixed establishment in New Zealand.

If applicable, the financial arrangements rules may require the Noteholder to adopt a spreading method to recognise the Noteholder’s annual interest income from the Notes. The adoption of a spreading method is not required for a Noteholder able to be classified as a “cash basis person”.

The financial arrangements rules require all Noteholders subject to the rules, including a

cash basis person, to perform a “base price adjustment” calculation upon sale, transfer, redemption or repurchase of the Notes. The calculation may bring to account any previously unrecognised gain on the Notes, including any gain from the sale, transfer, maturity or redemption.

### **Taxation of Returns - EU/French taxation**

#### ***EC Council Savings Directive***

As of 1 July 2005, based on Directive 2003/48/EC (the “Savings Directive”), the tax authorities of the EU Member States provide each other with details of payments of interest and similar income made to individuals who are the beneficial owner of those payments, but permits Austria, Belgium and Luxembourg instead to impose a withholding tax on the payments concerned for a “transitional period”. The Savings Directive also provides that no such withholding tax should be levied where the beneficial owner of the payment authorises an exchange of information and/or where the beneficial owner presents a certificate from the tax authority of the EU Member State in which the beneficial owner is resident. A number of non-EU countries and certain dependent or associated territories have agreed to adopt similar measures (in certain cases on a reciprocal basis). The Savings Directive does not preclude EU Member States from levying other types of withholding tax.

The Savings Directive has been implemented in French law under Article 242 ter of the French General Tax Code (*Code Général des Impôts*), which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State, including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

The Notes constituting obligations under French law and being issued outside France through an international syndicate, payments of interest and other revenues made by the Issuer in respect of the Notes to Noteholders who are not concurrently shareholders of Crédit Agricole S.A. benefit under present law (as interpreted in the Instruction of the French Tax Authority (*Direction Générale des Impôts*) 5 I-11-98 dated 30 September 1998) from the exemption from withholding tax provided for in Article 131 quater of the French General Tax Code. Accordingly, such payments do not give the right to any tax credit from any French source.

#### **Guarantee of Returns**

Crédit Agricole S.A. is legally liable for paying you the returns set out in this section. There is no specific guarantee in respect of the Notes. However, the Regional Banks have issued a joint and several general guarantee backed by their equity, which covers the obligations of Crédit Agricole S.A. to third parties, including Noteholders, as described on page 29 under the heading *What are my risks?*

### **Transferring Notes**

If Noteholders transfer any Notes, the price obtained for them may differ from the amount paid to purchase them. This is because changes in market interest rates can affect the market value of the Notes. For instance, if market rates go up, the market value of your Notes may go down and vice versa.

The same situation applies if an investor buys Notes from another person - the price paid for the Notes may differ from their original purchase price.

The proximity of an interest payment to the date that a Noteholder sells their Notes can also affect the price obtained for them.

Notes may only be transferred in multiples of \$1,000 in Original Principal Amount and no transfer may be made if it results in the transferor or the transferee holding Notes the principal amount of which is less than \$5,000 in Original Principal Amount in aggregate (unless the lesser amount is zero).

Crédit Agricole S.A. will not compensate Noteholders for any loss incurred if Noteholders choose to sell Notes.

Applicants should not attempt to sell Notes until they know whether, and how many, Notes have been issued to them. None of Crédit Agricole S.A., the Arranger, the Joint Lead Managers or the Co-Managers nor any of their respective directors or employees or any other person accepts any liability or responsibility should any applicant for Notes attempt to sell or otherwise deal with any Notes before receiving a statement recording the number of Notes (if any) issued to them.

### **6. What are my risks?**

There is a risk of you not recovering the sum which you paid for the Notes and/or of you not receiving the returns described above in the section *What returns will I get?* as a result of the risks described in this section.

### **The Notes are Deeply Subordinated Obligations**

Crédit Agricole S.A.'s obligations under the Notes are deeply subordinated obligations of Crédit Agricole S.A. ranking *pari passu* among themselves and with all other present and future claims against Crédit Agricole S.A. pursuant to Support Agreements and with Deeply Subordinated Obligations of Crédit Agricole S.A., senior to the principal in respect of the T3CJ capital securities of Crédit Agricole S.A., and subordinated to and ranking behind the claims of all other unsubordinated and ordinarily subordinated creditors of Crédit Agricole S.A., lenders in relation to *prêts participatifs* (participating loans) granted to Crédit Agricole S.A. and holders of *titres participatifs* (participating securities) issued by Crédit Agricole S.A. Crédit Agricole S.A.'s obligations under the Notes rank in priority only to any classes of shares of Crédit Agricole S.A. and the principal in respect of the T3CJ capital securities.

### **Write-down mechanism following Supervisory Event**

The Notes are being issued for capital adequacy regulatory purposes with the intention and purpose of being eligible as Tier 1 Capital for Crédit Agricole S.A., subject to the limits on the portion of Crédit Agricole S.A.'s Tier 1 Capital that may consist of hybrid securities in accordance with Applicable Banking Regulations and the interpretations of the SGCB. Such eligibility depends upon a number of conditions being satisfied and which are reflected in the Terms and Conditions of the Notes. One of these relates to the ability of the Notes and the proceeds of their issue to be available to absorb any losses of Crédit Agricole S.A. Accordingly, following the occurrence of a Supervisory Event, in certain circumstances and/or upon the occurrence of certain events, payments of interest under the Notes may be restricted and, in certain cases, forfeited and the amount of Accrued Interest and the Current Principal Amount of the Notes may be reduced.

### **Restrictions on Payment**

For so long as the compulsory interest provisions do not apply, Crédit Agricole S.A. may elect, and in certain circumstances shall be required, not to pay interest falling due on the Notes on any Interest Payment Date. Any interest not so paid on any such Interest Payment Date shall be forfeited and shall therefore no longer be due and payable by Crédit Agricole S.A., unless otherwise provided. See Condition 4. In addition, in certain circumstances, payment of interest will be suspended automatically upon the occurrence of a Supervisory Event.

The Accrued Interest and the Current Principal Amount of the Notes may be reduced, as required, on one or more occasions following a Supervisory Event, on a semi-annual basis. See Condition 5.

### **No Limitation on Issuing Debt**

There is no restriction on the amount of debt which Crédit Agricole S.A. may issue or guarantee. Crédit Agricole S.A. and its subsidiaries and affiliates may incur additional indebtedness or grant guarantees in respect of indebtedness of third parties, including indebtedness or guarantees that rank senior in priority of payment to the Notes. If Crédit Agricole S.A.'s financial condition were to deteriorate, the Noteholders could suffer direct and materially adverse consequences, including suspension of interest and reduction of interest and principal and, if Crédit Agricole S.A. were liquidated (whether voluntarily or involuntarily), loss by Noteholders of their entire investment.

### **Perpetual Securities**

The Notes are perpetual securities, with no specified maturity date. Crédit Agricole S.A. may only redeem the Notes in certain circumstances as described on page 25 under the heading *What returns will I get?* The Noteholders have no right to require redemption of the Notes, except

if a judgment is issued for the insolvent judicial liquidation (*liquidation judiciaire*) of Crédit Agricole S.A. or if Crédit Agricole S.A. is liquidated for any other reason. See Condition 9.

#### **Redemption Risk**

The Notes are perpetual obligations in respect of which there is no fixed redemption date. Nevertheless, all of the Notes (but not some only) may be redeemed at the option of Crédit Agricole S.A. on the First Call Date and on each Interest Payment Date falling thereafter and in other limited circumstances as described in Condition 6. Also, Crédit Agricole S.A. must redeem all of the Notes (but not some only) where it will be prevented by French law from making payment to the Noteholders of any full amount due and payable. Redemption of the Notes is subject to the prior approval of the SGCB. There can be no assurance that, at the relevant time, Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same return as their investment in the Notes.

#### **Transfer Risk**

If a Noteholder transfers their Notes before they are redeemed (as described in *What returns will I get?* above and *How do I cash in my investment?* below), the price at which they are able to sell their Notes may be less than the price paid for them. This is because changes in market interest rates and other factors can affect the market value of the Notes. For example, if market interest rates go up, the market value of the Notes may go down, and vice versa. The loss or gain is also, in part, a function of the effect of a change in underlying market interest rates on the value of your investment. Notes will have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

#### **Absence of Voting Control over Regional Banks within the Crédit Agricole Group**

Although Crédit Agricole S.A. depends upon the Regional Banks for a significant portion of its net income and has significant powers over the Regional Banks in its capacity as central body, it does not have voting control over the decisions of the Regional Banks. The Regional Banks, in which Crédit Agricole S.A. holds a 25% equity interest (with the exception of the Caisse Régionale of Corsica), generate a significant portion of the net income of the Group's French retail banking segment and distribute many products and services offered by other business segments, primarily insurance and specialised financing. Although Crédit Agricole S.A. participates in meetings of the shareholders of the Regional Banks, it does not have control over decisions that require the consent of shareholders of the Regional Banks.

#### **Guarantee System and Guarantee Fund**

As the central body of the network comprising the Regional Banks, the Local Banks (Caisses Locales) and their respective subsidiaries which have the status of credit institutions, Crédit Agricole S.A. represents its affiliated credit institutions before regulatory authorities and guarantees the liquidity and solvency of each of the Regional Banks. As a result of this guarantee, Crédit Agricole S.A. is empowered under applicable laws and regulations to exercise administrative, technical and financial control over the organisation and management of these institutions.

At the same time, the Regional Banks, who are associated persons of Crédit Agricole S.A. for the purposes of the Securities Regulations 1983, have issued a joint and several general guarantee backed by their equity, which covers the obligations of Crédit Agricole S.A. to third parties. Through the reciprocal support mechanisms, the level of risk incurred by creditors of Crédit Agricole S.A. and by those of the Regional Banks have become identical. As a result, the credit ratings of Crédit Agricole S.A. and of the rated Regional Banks are identical. However, the guarantee, as described above, is not secured.

To assist Crédit Agricole S.A. in assuming its central body liabilities and to ensure mutual support within Crédit Agricole Group, a fund has been established for liquidity and solvency banking risks (the "**Guarantee Fund**"). The Guarantee Fund has been 75% funded by Crédit Agricole S.A. and 25% funded by the Regional Banks, in an aggregate amount of €734.1 million as at 31 December, 2006. If the Guarantee Fund proves inadequate to restore the liquidity and solvency of any Regional Bank that may encounter future financial difficulty, Crédit Agricole S.A. may be required to contribute additional funds under its guarantee. Although Crédit Agricole S.A. is not aware of circumstances likely to require recourse to the Guarantee Fund and anticipates that the investment revenue from the Guarantee Fund should be sufficient to enable Crédit Agricole S.A. to meet any calls on its statutory guarantee, there can be no assurance that it will never be necessary to call upon the capital of the Guarantee Fund or that, in the event of its full depletion, Crédit Agricole S.A. will not be required to make up the shortfall.

#### **Shareholding by Regional Banks**

By virtue of their controlling interest in Crédit Agricole S.A. (through SAS Rue de la Boétie, a holding company jointly owned by the Regional Banks), the Regional Banks have the power to control the outcome of all votes at ordinary meetings of Crédit Agricole S.A.'s shareholders, including votes on decisions such as the appointment or approval of members of its board of directors and the distribution of dividends. The Regional Banks may have interests that are different from those of Crédit Agricole S.A. and the other holders of Crédit Agricole S.A.'s securities, including the Notes.

### Foreign law risk

The Notes are constituted by the Trust Deed which is governed by English law (except clauses 5.1 and 5.2 with respect to subordination and payments on liquidation which shall be governed by French law) and the Conditions are governed by English law except Condition 3 with respect to the status of the Notes and subordination which is governed by French law. Crédit Agricole S.A. has submitted to the non-exclusive jurisdiction of the courts of England in relation to the Notes. This means that any claim or dispute relating to the Notes or the Conditions will be determined in accordance with English law or French law, as applicable, which will be different to New Zealand law.

### Enforceability risk

Crédit Agricole S.A. is incorporated under the laws of France. Therefore, it may be more difficult for Noteholders' rights to be pursued in the event of Crédit Agricole S.A.'s judicial liquidation (*liquidation judiciaire*) or liquidation for any other reason, or if Noteholders have any other claim, under the Notes than it would be if Crédit Agricole S.A. were a New Zealand incorporated bank.

### Liquidation

If Crédit Agricole S.A. is placed in liquidation:

- Noteholders may not recover all their principal investment or receive the expected returns; and
- Noteholders will not be obliged to pay any more than their original investment in the Notes.

In the event of a liquidation of Crédit Agricole S.A. Noteholders' claims on the assets of Crédit Agricole S.A. will rank:

- *pari passu* among themselves;
- *pari passu* with all other present and future Deeply Subordinated Obligations and Support Agreement Claims;
- junior and subordinate to the present and future prêts participatifs (participating loans) granted to Crédit Agricole S.A. and present and future titres participatifs (participating securities), Ordinarily Subordinated Obligations and Unsubordinated Obligations of Crédit Agricole S.A.; and
- senior and in priority to reimbursement of the principal in respect of an issue of €839 million of hybrid T3CJ capital securities of Crédit Agricole S.A.

In the event of liquidation of the Issuer, the Notes will rank in priority to any payments to any classes of share capital by Crédit Agricole S.A. and any reimbursement of T3CJ capital securities.

### 7. Can the investment be altered?

Once Crédit Agricole S.A. has accepted your application, the Notes can only be altered by amendment to the Trust Deed, which includes the Conditions.

The Trustee may agree, without the consent of the Noteholders, to:

- (a) any modification of any of the provisions of the Trust Deed which is of a formal, minor or technical nature or is made to correct a manifest error; and
- (b) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders.

However, no amendment or modification to the status of the Notes may be approved until the prior consent of the SGCB has been obtained in relation thereto.

### 8. How do I cash in my investment?

#### No scheduled repayment date

The Notes are perpetual securities which have no scheduled repayment date. However, Crédit Agricole S.A. has the option to redeem all of the Notes (but not some only) in certain circumstances on the First Call Date and on each Interest Payment Date thereafter and is required to redeem all of the Notes (but not some only) in other circumstances.

The Issuer may, at its option, redeem all of the Notes (but not some only) on the First Call Date and on each Interest Payment Date thereafter.

The Issuer will also have the right to redeem all of the Notes (but not some only) at any time up to the First Call Date:

- (a) if as a result of any change in French law or any change in Applicable Banking Regulations, the Notes cease to be eligible as Tier 1 Capital for the Issuer (except as a result of the application of Hybrid Securities Limit);
- (b) if as a result of any change in French law, interest payment under the Notes is no longer tax-deductible by the Issuer for the purposes of French corporate income tax;
- (c) if as a result of any change in French law, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes not be able to make such payment without having to pay additional amounts as specified under Condition 8; or
- (d) if as a result of any change in New Zealand law the Issuer becomes liable to pay an New Zealand tax that entitles it to receive indemnification from Noteholders.

The Issuer shall redeem all of the Notes (but not some only) if, on the next payment of principal or interest on the Notes it will be prevented by French law from making payment to the Noteholders of the full amount then due and payable.

In each case the redemption price will be equal to the Original Principal Amount plus accrued and unpaid interest.



Any redemption of the Notes by the Issuer is subject to the prior approval of the SGCB.

Noteholders have no right to require Crédit Agricole S.A. to redeem their Notes unless an event of default occurs. There will be an event of default in the event of the judicial liquidation (*liquidation judiciaire*) or liquidation for any other reason of Crédit Agricole S.A.

This means that Noteholders have no ability to cash in their investment, except:

- (a) if Crédit Agricole S.A. exercises its right, or is required, to redeem the Notes;
- (b) following an event of default; or
- (c) by selling their Notes on the secondary market.

Noteholders are entitled to sell their Notes as set out in Condition 2 and as described on page 28 under the sub-heading *Transferring Notes*. Crédit Agricole S.A. considers that a secondary market for the Notes will develop over time as it has with similar securities of other issuers. However, Crédit Agricole S.A. gives no assurances as to the existence or characteristics of any such secondary market. Brokerage is likely to be payable by a Noteholder on any transfer of Notes effected through a broker.

#### **9. Who do I contact with enquiries about my investment?**

Enquiries about the Notes can be directed to:

Manager of Client Services  
Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road, Takapuna  
Private Bag 92119  
Auckland 1142  
Telephone: +64 (9) 488 8777

#### **10. Is there anyone to whom I can complain if I have problems with the investment?**

Any complaints about the Notes can be directed to:

Manager of Client Services  
Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road, Takapuna  
Private Bag 92119  
Auckland 1142  
Telephone: +64 (9) 488 8777

There is no ombudsman to whom complaints about the Notes can be directed.

#### **11. What other information can I obtain about this investment?**

This Investment Statement is intended only to provide a summary of the Conditions relating to the issue of the Notes. The Conditions are set out in full in Part 5 for reference. Further information about Crédit Agricole S.A. can be obtained from the Prospectus (which includes Crédit Agricole S.A.'s financial statements).

Copies of the Prospectus, financial statements and Trust Deed and further copies of this Investment Statement can be obtained free of charge, on request, by contacting Crédit Agricole S.A. or the Registrar at the address given above under the heading *Who do I contact with enquiries about my investment?*

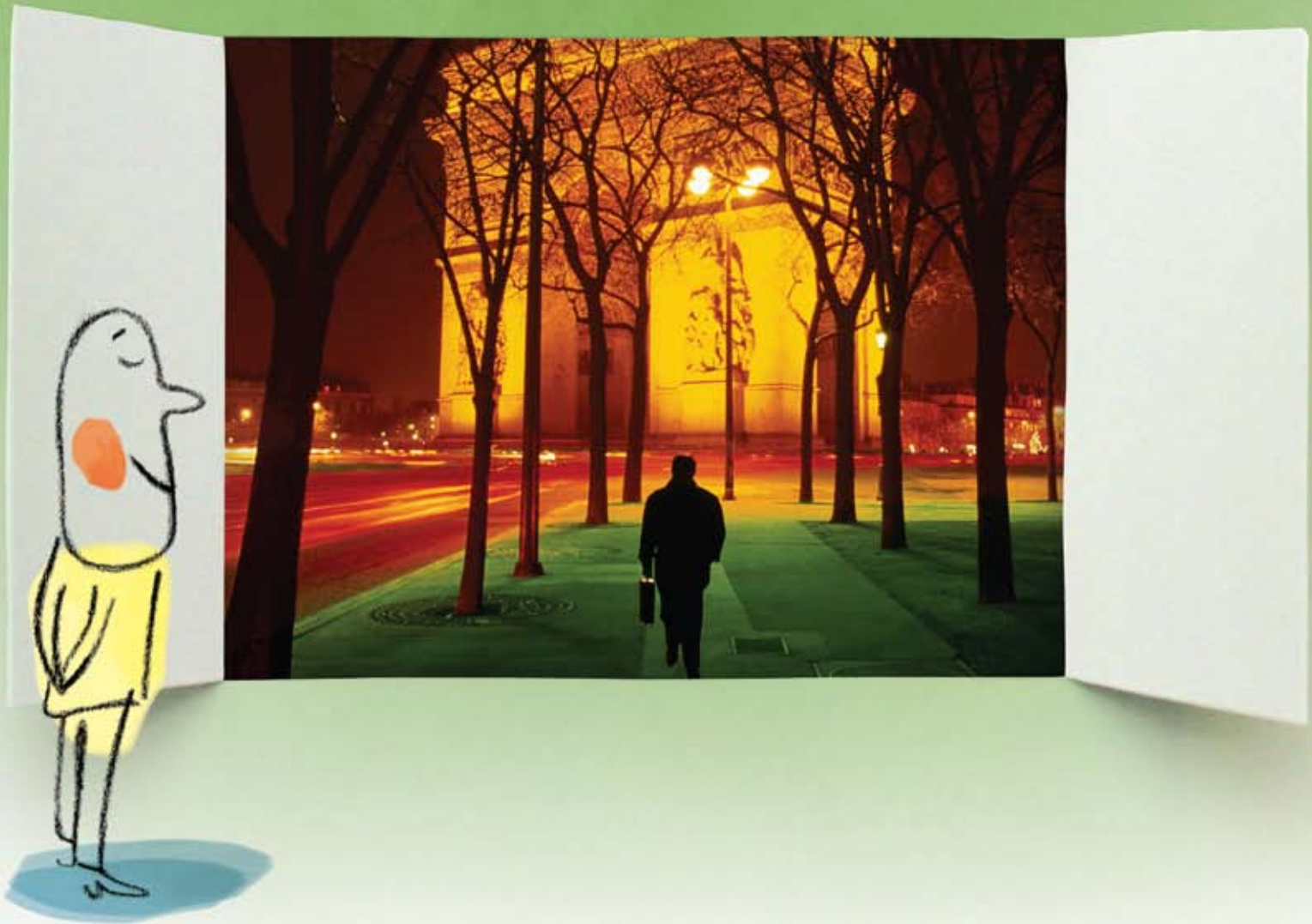
A copy of the Prospectus, the consolidated financial statements of Crédit Agricole S.A. for the year ended 31 December 2006 and six months ended 30 June 2007, the Trust Deed and other documents relating to Crédit Agricole S.A. are also filed on a public register at the Companies Office of the Ministry of Economic Development and available for public inspection during normal business hours or may be inspected on the Ministry of Economic Development's website <http://www.companies.govt.nz>. A fee may be payable.

Alternatively, a copy of the Prospectus can be obtained from the Registrar at the address given above under the heading *Who do I contact with enquiries about my investment?* (the latest full annual report (entitled the "Shelf Registration Document") for the Crédit Agricole Group, and its updates, which supplement the Prospectus are available at <http://www.credit-agricole-sa.fr>).

As noted in the Prospectus, the following sections of Crédit Agricole S.A.'s latest full annual report and its updates are not deemed to be part of the Prospectus as these reports and statements are given as a requirement of French audit regulations and as a matter of these regulations may be relied on only by Crédit Agricole S.A.: (i) the report of the Chairman of the Board of Directors of Crédit Agricole S.A. on internal control on pages 14 to 31 of the 2006 Shelf-Registration Document and any reference thereto; (ii) the report of the statutory auditors on the report prepared by the Chairman of the Board of Directors of Crédit Agricole S.A. on internal control procedures relating to the preparation and processing of financial and accounting information on page 32 of the 2006 Shelf-Registration Document; (iii) the statement by the Chief Executive Officer of Crédit Agricole S.A., on page 318 of the 2006 Shelf-Registration Document referring to the *lettre de fin de travaux* of the statutory auditors; (iv) the statement by the Chief Executive Officer of Crédit Agricole S.A., on page 139 of the Update A.01 of the 2006 Shelf-Registration Document referring to the *lettre de fin de travaux* of the statutory auditors; (v) the statement by the Chief Executive Officer of Crédit Agricole S.A., on page 55 of the Update A.02 of the 2006 Shelf-Registration Document referring to the *lettre de fin de travaux* of the statutory auditors; and (vi) the statement by the Chief Executive Officer of Crédit Agricole S.A., on page 145 of the Update A.03 of the 2006 Shelf-Registration Document referring to the *lettre de fin de travaux* of the statutory auditors. Any statement by the Chief Executive Officer of Crédit Agricole S.A. referring to the *lettre de fin de travaux* of the statutory auditors in the future annual reports and/or updates of Crédit Agricole S.A. shall not be deemed to be part of the Prospectus.

Noteholders and the market will receive annual and half financial reports of Crédit Agricole S.A. via post and NZX's market announcement platform pursuant to the periodic reporting requirements of the NZDX Listing Rules.

Any statement by the Chief Executive Officer of Crédit Agricole S.A. referring to the *lettre de fin de travaux* of the statutory auditors in the future annual reports and/or updates of Crédit Agricole S.A. shall not be deemed to be part of the Prospectus.



# PART 5 - TERMS AND CONDITIONS

The issuance outside the Republic of France of up to NZ\$400 million (with the option to accept unlimited oversubscriptions) of Perpetual Deeply Subordinated Notes (the “Notes”) of Crédit Agricole S.A. (the “Issuer”) was decided by the Responsable de la Direction de la Gestion Financière (Financial Management Director) of the Issuer in a decision dated 19 November 2007, acting pursuant to a resolution of the board of directors (conseil d’administration) of the Issuer dated 15 May 2007. The Notes are constituted by a trust deed (the “Trust Deed”) dated 19 November 2007 between the Issuer and New Zealand Permanent Trustees Limited (the “Trustee”, which expression shall include any successors) as trustee for the holders of the Notes (the “Noteholders”). Copies of the Trust Deed referred to below are available for inspection at the specified offices of the Trustee. References below to “Conditions” are, unless the context otherwise requires, to the numbered paragraphs below.

## 1. DEFINITIONS

For the purposes of these Conditions:

“**3-Month Bank Bill Rate**” shall have the meaning set forth in Condition 4.

“**30/360 Day Count Fraction**” has the meaning set forth in Condition 4.

“**Accrued Interest**” is only applicable with respect to an Interest Period ending on an Interest Payment Date that is an Optional Interest Payment Date and means, with respect to the period from (and including) the immediately preceding Interest Payment Date (or in the case of the first Interest Payment Date, the Issue Date) to (but excluding) the date of the occurrence of a Supervisory Event, the amount of interest accrued on the Notes during such period as calculated by the Calculation Agent.

“**Actual/365 Day Count Fraction**” has the meaning set forth in Condition 4.

“**Agency Agreement**” means the agency agreement dated on or about 19 November 2007 between the Issuer and the Registrar relating to the Notes.

“**Applicable Banking Regulations**” means, at any time, the capital adequacy or own funds regulations then in effect of the regulatory authority in France (or if the Issuer becomes domiciled in a jurisdiction other than France, such other relevant jurisdiction) having authority to adopt capital adequacy or own funds regulations with respect to the Issuer.

“**Austraclear System**” means the securities clearing and settlement facility operated by the Reserve Bank of New Zealand and known as the Austraclear New Zealand System.

“**Benchmark Rate**” shall have the meaning set forth in Condition 4.

“**Business Day**” means any day, other than a Saturday, Sunday or public holiday on which registered banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Wellington and Auckland.

“**Calculation Agent**” means initially, the Issuer, or any successor calculation agent that may be appointed by the Issuer and notified to the Trustee from time to time.

“**Calculation Date**” means the Issue Date and 19 December 2012.

“**Calculation Period**” means the period commencing on (and including) the Issue Date and ending on (but excluding) the Calculation Date falling on 19 December 2012, and the period commencing on (and including) such Calculation Date to (but excluding) the First Call Date.

“**Compulsory Interest Payment Date**” means each Interest Payment Date as to which at any time during a period of one year prior to such Interest Payment Date:

- (i) the Issuer has declared or paid a dividend (whether in cash, shares or any other form but excluding a dividend paid only in newly issued shares), or more generally made a payment of any nature, on any class of share capital or on other equity securities issued by the Issuer, or on the T3CJ, or on Deeply Subordinated Obligations or under any Support Agreement, in each case to the extent categorised as Tier 1 Capital, unless such payment on Deeply Subordinated Obligations or under Support Agreements was required to be made as a result of a dividend or other payment having been made on any class of share capital or other equity securities, or on any Deeply Subordinated Obligations issued by the Issuer, or on any Parity Securities;
- (ii) the Issuer has redeemed, repurchased or otherwise acquired any class of its share capital or the T3CJ, by any means, with the exception of repurchases of share capital for purposes of making shares available to cover employee stock option, stock attribution or stock purchase programmes, regularisation of the Issuer’s share price, investment activities or holding shares with a view to their resale or exchange, particularly in connection with external growth transactions or the issuance of securities convertible into or exchangeable for the Issuer’s share capital; or

- (iii) any subsidiary of the Issuer has declared or paid a dividend on any Parity Securities, unless such dividend was required to be paid as a result of a dividend or other payment having been made on any class of share capital or other equity securities, or on any Deeply Subordinated Obligations, issued by the Issuer or on any other Parity Securities qualifying as consolidated Tier 1 Capital of the Issuer,

provided, however, that if a Supervisory Event occurred prior to such Interest Payment Date and is continuing, such Interest Payment Date shall only be a Compulsory Interest Payment Date if such Supervisory Event had occurred prior to the relevant event described in sub-paragraph (i), (ii) or (iii) above.

For the avoidance of doubt, there will be no Compulsory Interest Payment Date as a result of a redemption or repurchase by the Issuer or any subsidiary of the Issuer of any Parity Securities, Deeply Subordinated Obligations (including the Notes) or any other securities issued by the Issuer or any loans granted to the Issuer which rank *pari passu* with the Notes.

**“Consolidated Net Income”** means the consolidated net income (excluding minority interests) of the Issuer, as calculated and set out in the audited annual consolidated accounts of the Issuer approved by the Issuer’s shareholders’ general meeting.

**“CRBF Regulation”** has the meaning set forth in Condition 3.

**“Current Principal Amount”** means at any time the principal amount of the Notes, calculated on the basis of the Original Principal Amount of the Notes as such amount may be reduced, on one or more occasions, pursuant to the application of the Loss Absorption mechanism and/or reinstated on one or more occasions following a Return to Financial Health, as the case may be, pursuant to Conditions 5.1 and 5.2.

**“Deeply Subordinated Obligations”** means deeply subordinated obligations of the Issuer, whether in the form of notes or loans or otherwise, which rank *pari passu* among themselves and with the Notes, senior to the principal in respect of the T3CJ and any classes of share capital issued by the Issuer, and behind the present and future *prêts participatifs* granted to the Issuer, the present and future *titres participatifs* issued by the Issuer, Ordinarily Subordinated Obligations and Unsubordinated Obligations. For the avoidance of doubt, the T3CJ are not to be considered as Deeply Subordinated Obligations.

**“End of Supervisory Event”** means, following a Supervisory Event, the first date on which either of the following events occurs:

- (a) if the Supervisory Event occurred pursuant to paragraph (a) of the definition of Supervisory Event, the total risk-based consolidated capital ratio of the Issuer, calculated in

accordance with the Applicable Banking Regulations, complies with the minimum percentage required in accordance with Applicable Banking Regulations; or

- (b) if the Supervisory Event occurred pursuant to paragraph (b) of the definition of Supervisory Event, the notification by the SGCB to the Issuer that it has determined, in its sole discretion, in view of the financial condition of the Issuer, that the circumstances which resulted in the Supervisory Event have ended.

An End of Supervisory Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer determines that the total risk-based consolidated capital ratio has been restored to the relevant level.

**“Existing Support Agreements”** means the following support agreements:

- (a) the Support Agreement, dated as of 30 January 2003 and as amended from time to time, between the Issuer and CA Preferred Funding LLC relating to CA Preferred Funding LLC’s 7.0% Noncumulative Preferred Securities;
- (b) the Support Agreement, dated as of 6 August 2003, between the Issuer and CA Preferred Funding LLC, relating to the 7.0% Noncumulative Company Preferred Securities of CA Preferred Funding LLC; and
- (c) the Support Agreement, dated as of 19 December 2003, between the Issuer and CA Preferred Funding LLC, relating to the 6.0% Noncumulative Company Preferred Securities of CA Preferred Funding LLC.

**“FASTER”** means the Fully Automated Screen Trading and Electronic Registration System operated by NZX.

**“First Call Date”** means 19 December 2017.

**“Floating Rate”** has the meaning set forth in Condition 4.

**“Floating Rate Interest Amount”** has the meaning set forth in Condition 4.

**“Floating Rate Interest Payment Date”** has the meaning set forth in Condition 4.

**“Floating Rate Interest Period”** means the period beginning on (and including) the First Call Date and ending on (but excluding) the first Floating Rate Interest Payment Date and each successive period beginning on (and including) a Floating Rate Interest Payment Date and ending on (but excluding) the next succeeding Floating Rate Interest Payment Date.

**“Hybrid Securities Limit”** has the meaning set forth in Condition 3.

**“Initial Rate”** has the meaning set forth in Condition 4.

**“Initial Rate Interest Amount”** has the meaning set forth in Condition 4.

**“Initial Rate Interest Payment Date”** has the meaning set forth in Condition 4.

**“Initial Rate Interest Period”** means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Initial Rate Interest Payment Date, and each successive period beginning on (and including) an Initial Rate Interest Payment Date and ending on (but excluding) the next succeeding Initial Rate Interest Payment Date.

**“Interest Amount”** means an Initial Rate Interest Amount and/or a Floating Rate Interest Amount, as the case may be.

**“Interest Payment Date”** means an Initial Rate Interest Payment Date or a Floating Rate Interest Payment Date, as the case may be.

**“Interest Period”** means an Initial Rate Interest Period or a Floating Rate Interest Period, as the case may be.

**“Interest Rate”** means the Initial Rate or the Floating Rate, as the case may be.

**“Issue Date”** means 19 December 2007.

**“Issuer”** means Crédit Agricole S.A.

**“Listing Rules”** means the listing rules of NZX in force from time to time applicable to the Issuer.

**“Loss Absorption”** has the meaning set forth in Condition 5.

**“Margin”** has the meaning set forth in Condition 4.

**“Non-Resident Noteholder”** means a Noteholder that is not resident in New Zealand for New Zealand taxation purposes and that is not engaged in business in New Zealand through a fixed establishment (as defined in the New Zealand Income Tax Act 2004) in New Zealand.

**“Noteholder”** means each person in whose name a Note is registered in the Register.

**“NZ\$”** or **“New Zealand dollar”** means the lawful currency of New Zealand.

**“NZX”** means New Zealand Exchange Limited, and includes any person or authority which may in the future assume and perform the functions of New Zealand Exchange Limited.

**“Optional Interest Payment Date”** means any Interest Payment Date other than a Compulsory Interest Payment Date.

**“Ordinarily Subordinated Obligations”** means subordinated obligations of the Issuer, whether in the form of notes or loans or otherwise, which rank in priority to the present and future prêts participatifs granted to the Issuer, the present and future titres participatifs issued by the Issuer, Support Agreement Claims, Deeply Subordinated Obligations and the Notes.

**“Original Principal Amount”** means the principal amount of each Note on the Issue Date (that is, NZ\$1.00) not taking into account any Loss Absorption or Reinstatement.

**“Parity Securities”** means any preferred securities or preferred or preference shares issued by any subsidiary of the Issuer (including in particular CA Preferred Funding LLC), the proceeds of which are eligible as consolidated fonds propres de base for the Issuer, to the extent that such subsidiary benefits from any Support Agreement.

**“Record Date”** means, in relation to any payment due on the Notes, the date 10 calendar days prior to the date on which such payment is due.

**“Reference Banks”** has the meaning set forth in Condition 4.

**“Register”** means the register in relation to the Notes maintained by the Registrar in accordance with the Agency Agreement and these Conditions.

**“Registrar”** means Computershare Investor Services Limited in its capacity as initial registrar and paying and transfer agent and includes any successor thereto and any sub-agent appointed from time to time.

**“Regular Period”** has the meaning set forth in Condition 4.

**“Reinstatement”** has the meaning set forth in Condition 5.

**“Relevant Date”** has the meaning set forth in Condition 8.

**“Return to Financial Health”** has the meaning set forth in Condition 5.

**“Statement”** means a FASTER statement issued by the Issuer (or the Registrar on its behalf) to a Noteholder in relation to the Notes held by that Noteholder, if applicable, in compliance with the Listing Rules.

**“Supervisory Event”** means the first date on which either of the following events occurs:

- (a) the total risk-based consolidated capital ratio of the Issuer, calculated in accordance with the Applicable Banking Regulations, falls below the minimum percentage required in accordance with Applicable Banking Regulations; or
- (b) the notification by the SGCB to the Issuer, that it has determined, in its sole discretion, in view of the deteriorating financial condition of the Issuer, that the foregoing paragraph (a) of this definition would apply in the near term.

A Supervisory Event shall be deemed to occur pursuant to paragraph (a) above on the date on which the Issuer determines that the total risk-based consolidated capital ratio has fallen below the relevant level.

**“Support Agreements”** means the Existing Support Agreements and any other guarantee, support agreement or other agreement or instrument issued by the Issuer in favour of an issuer of Parity Securities and having a similar effect to the Existing Support Agreements, if claims under such guarantee, support agreement

or other agreement or instrument rank behind present and future *prêts participatifs* granted to the Issuer, present and future *titres participatifs* issued by the Issuer, Ordinarily Subordinated Obligations and Unsubordinated Obligations and in priority to any principal payments to holders of T3CJ and any classes of share capital issued by the Issuer.

“**Support Agreement Claim**” means any claim against the Issuer by any subsidiary of the Issuer pursuant to a Support Agreement.

“**SGCB**” means the *Secrétariat général de la Commission bancaire* which reference shall, where applicable, include any other authority having supervisory authority with respect to the Issuer.

“**T3CJ**” means undated hybrid capital securities in the amount of €1,839 million issued by the Issuer to an entity wholly-owned by the *Caisses Régionales* on 26 June 2003.

“**Tier 1 Capital**” has the meaning set forth in Condition 3.

“**Unsubordinated Obligations**” means unsubordinated obligations of the Issuer which rank in priority to Ordinarily Subordinated Obligations.

## 2. FORM, DENOMINATION, TITLE AND TRANSFER

### 2.1 Form of Notes; Denomination

The Notes are issued in registered book entry form in denominations of NZ\$1.00 with a minimum holding of NZ\$5,000 in aggregate Original Principal Amount and multiples of NZ\$1,000 aggregate Original Principal Amount in excess thereof.

### 2.2 Title

No certificates of title in respect of a Note will be issued to the Noteholders. Title to the Notes passes by transfer and registration as described below. The Noteholder will (except as otherwise required by law) be treated as the absolute beneficial owner of the Note for all purposes and no person will be liable for so treating the Noteholder. Neither the Issuer nor the Registrar shall be affected by any trust or equity affecting any Notes, whether or not either of them is aware of the same. In the event of any conflict between the Register and any certificate or any Statement issued relating to a Note, the Register shall prevail over any such certificate or Statement. Neither the Issuer nor the Registrar will be required to obtain proof of identity of a Noteholder or its ownership of Notes.

### 2.3 Transfer

Subject to this Condition 2 and to any applicable law restricting the right to transfer Notes, a Noteholder may transfer all or any of the Notes of which it is the holder, provided that Notes may be transferred only in multiples of NZ\$1,000, and no transfer shall be made if, as a result thereof, the aggregate Original Principal Amount of the

Notes registered in the name of the transferor or of the transferee would (if not zero) be less than the minimum holding of NZ\$5,000 (or such lesser sum to which the Issuer may in its absolute discretion consent). No transfer of a Note will be valid unless and until entered on the Register. A Note may be registered only in the name of, and transferred only to, a named person or persons.

#### 2.3.1 Transfer Free of Charge

Transfers of Notes shall be effected without charge by or on behalf of the Issuer or the Registrar, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar may require).

#### 2.3.2 Closed Periods

Subject to NZX having granted a trading halt, no Noteholder may require the transfer of a Note to be registered during the period of 15 calendar days ending on (and including) the due date for redemption of the Notes pursuant to Condition 6.

2.3.3 Notes lodged with the Austraclear System Notes may be lodged with, and uplifted from, the Austraclear System by the relevant Noteholder, in accordance with the procedures of the Austraclear System at the relevant time. Beneficial title to a Note that is lodged with the Austraclear System is transferable in accordance with the procedures of the Austraclear System at the relevant time, but legal title to such Notes shall, for so long as they are lodged with the Austraclear System, be recorded in the Register in the name of New Zealand Central Securities Depository Limited (or any replacement depository for the Austraclear System) on behalf of the Austraclear System.

#### 2.3.4 Form of Transfer

Subject to these Conditions, a Noteholder may transfer any Note held by that Noteholder:

- (i) by a written instrument of transfer in a usual or common form signed by the transferor and the transferee and delivered to the office of the Registrar; or
- (ii) via FASTER; or
- (iii) by any other method of transfer approved by the Issuer and the Registrar and delivered to the office of the Registrar.

#### 2.3.5 Evidence to Accompany Instrument of Transfer

Each instrument of transfer must be accompanied by:

- (i) any evidence (including legal opinions) that the Issuer or the Registrar reasonably require to prove the title of the transferor, the transferor's right to transfer the Notes or the identity of the transferor and/or the transferee; and
- (ii) if the form of the transfer is executed by some other person on behalf of the transferor or, in the case of the execution of the form of transfer on behalf of a corporation by its officers, the authority of that person to so

execute that transfer, subject in each case to Condition 2.3.8 below.

#### 2.3.6 Acquisition by Operation of Law

When an entitlement to any Note is acquired by any person by operation of law (whether on the dissolution, death or bankruptcy of the relevant Noteholder, or under a writ of execution, or otherwise) the Registrar, on application by or on behalf of that person and on being satisfied that such person is legally entitled to be registered as the holder of that Note, will enter that person's name in the Register as the holder of that Note accordingly.

#### 2.3.7 Address and other Details of Noteholders

A transferee of Notes must designate to the Registrar an address and a bank account to which payments under or in respect of the Notes transferred to it are to be made and the address and account so designated will be the address and account of such Noteholder for all purposes. Any change of name or address or account to which payments are to be made of a Noteholder must immediately be notified in writing to the Registrar, accompanied by such evidence of such change as the Registrar may reasonably require, and the Register will be amended accordingly. Each Noteholder shall give written notice to the Registrar of its country of residency for taxation purposes and, if not resident in New Zealand for taxation purposes, of whether the Noteholder is engaged in business in New Zealand through a branch or other fixed establishment (as that term is defined in the New Zealand Income Tax Act 2004) in New Zealand.

#### 2.3.8 Reliance on Documents

The Issuer and the Registrar shall be entitled to accept and assume the authenticity and genuineness of any instrument of transfer or other document and will not incur any liability for registering any instrument of transfer which is subsequently discovered to be a forgery or otherwise defective, unless the Issuer or the Registrar had actual notice of such forgery or defect at the time of registration of such instrument of transfer.

### 3. STATUS OF THE NOTES AND SUBORDINATION

The Notes are deeply subordinated notes of the Issuer issued pursuant to the provisions of article L. 228-97 of the French Commercial Code (*Code de commerce*), as amended in particular by law n°2003-706 on financial security dated 1 August 2003.

The proceeds of the issue of the Notes will be treated, for regulatory purposes, as consolidated *fonds propres de base* for the Issuer subject to the limits on the portion of the Issuer's *fonds propres de base* ("**Tier 1 Capital**") that may consist of hybrid securities in accordance with Applicable Banking Regulations (the "**Hybrid Securities Limit**") as interpreted by the SGCB. The initial principal amount of the Notes could exceed this limit at the time the Notes are issued.

*Fonds propres de base* shall have the meaning given to it in Article 2 of *Règlement n° 90-02* dated February 23, 1990, as amended, of the *Comité de la Réglementation Bancaire et Financière* (the "**CRBF Regulation**") or otherwise recognized as *fonds propres de base* by the SGCB. The CRBF Regulation should be read in conjunction with the press release of the Bank for International Settlements dated October 27, 1998 concerning instruments eligible for inclusion in Tier 1 Capital (the "**BIS Press Release**").

The principal and interest on the Notes (which constitute *obligations* under French law) are direct, unconditional, unsecured, perpetual and deeply subordinated obligations of the Issuer and rank and will rank *pari passu* among themselves and with all other present and future Support Agreement Claims and Deeply Subordinated Obligations, senior to the principal in respect of the T3CJ of the Issuer, and shall be subordinated to the present and future *prêts participatifs* (participating loans) granted to the Issuer and present and future *titres participatifs* (participating securities), Ordinarily Subordinated Obligations and Unsubordinated Obligations of the Issuer.

In the event of liquidation of the Issuer, the Notes shall rank in priority to any payments to any classes of share capital issued by the Issuer and any reimbursement of the T3CJ.

There will be no limitations on issuing debt, at the level of the Issuer or of any consolidated subsidiaries.

### 4. INTEREST AND INTEREST SUSPENSION

#### 4.1 General

The Notes bear interest on their Current Principal Amount during each Calculation Period from (and including) the Issue Date up to (but excluding) the First Call Date, at a rate equal to the Initial Rate for such Calculation Period as determined by the Calculation Agent, payable quarterly in arrear on 19 March, 19 June, 19 September and 19 December of each year (each, an "**Initial Rate Interest Payment Date**"), commencing on 19 March 2008 and ending on the First Call Date.

From (and including) the First Call Date, the Notes will bear interest at a rate per annum equal to the Floating Rate as determined by the Calculation Agent, payable quarterly in arrear on 19 March, 19 June, 19 September and 19 December of each year (each a "**Floating Rate Interest Payment Date**") thereafter until the Notes are redeemed.

If any Floating Rate Interest Payment Date would otherwise fall on a date that is not a Business Day, it shall be postponed to the next day which is a Business Day, unless it would thereby fall into the next calendar month, in which event it shall be brought forward to the immediately preceding Business Day.

Interest will cease to accrue on the Notes from (and including) the due date for redemption thereof unless, upon such due date, payment of principal is improperly withheld or refused or if

default is otherwise made in respect of payment thereof. In such event, interest will continue to accrue at the relevant rate as specified in the preceding paragraphs (as well after as before judgment) on the Original Principal Amount of the Notes until the day on which all sums due in respect of the Notes up to that day are received by or on behalf of the relevant Noteholder.

#### 4.2 Initial Rate

4.2.1 The amount of interest (the “**Initial Rate Interest Amount**”) accrued in each Initial Rate Interest Period and payable on the Notes on each Initial Rate Interest Payment Date will be the product of the Current Principal Amount of the Notes and the Initial Rate for the Calculation Period during which such Initial Rate Interest Period falls, multiplied by the 30/360 Day Count Fraction and rounding the resulting figure, if necessary, to the nearest cent (with half a cent being rounded upwards).

The “**Initial Rate**” in respect of a Calculation Period and each Initial Rate Interest Period falling therein shall be the Benchmark Rate on the Calculation Date on which such Calculation Period begins, plus the Margin.

As used herein:

“**30/360 Day Count Fraction**” means the number of days in the Interest Period divided by 360, the number of days to be calculated on the basis of a year of 360 days with 12 30-day months.

“**Benchmark Rate**” means, in respect of a Calculation Period, the rate per annum expressed on a percentage yield basis, and rounded up to the nearest four decimal places, which is determined by the Calculation Agent to be the average of the bid and offer swap rate displayed at or around 11:00 a.m., Wellington time, on the Calculation Date on which such Calculation Period begins on page FISSWAP (or any successor page) of the Reuters monitor screen for an interest rate swap with a five-year term. If such rate does not appear on page FISSWAP, or if the Calculation Agent forms the view that the rate so determined is not an accurate reflection of market rates, the relevant Benchmark Rate shall be the average of the mid-point of the bid and offer swap rates quoted by three Reference Banks selected by the Calculation Agent at or around 11:00 a.m., Wellington time, on the relevant Calculation Date for an interest rate swap in New Zealand Dollars with a five-year term.

The Calculation Agent will request the principal New Zealand office of each of such Reference Banks to provide a quotation of its bid and offer rates. If fewer than three quotations are provided as requested, the relevant Benchmark Rate for such Initial Rate Interest Period will be the average of the mid-point of the bid and offer swap rates quoted by major banks in New Zealand selected by the Calculation Agent, at or around 11:00 a.m., Wellington time, on such relevant Calculation Date for an interest rate swap with a five-year term.

“**Margin**” means the margin, expressed as a percentage per annum, determined by the Issuer in consultation with the joint lead managers for the offering of the Notes, on or before the Issue Date.

“**Reference Banks**” means ANZ National Bank Limited, ASB Bank Limited, Bank of New Zealand and Westpac Banking Corporation, or any other bank selected by the Calculation Agent as being a leading bank in the New Zealand interbank market.

#### 4.3 Floating Rate

4.3.1 The amount of interest (the “**Floating Rate Interest Amount**”) accrued in each Floating Rate Interest Period and payable on the Notes on each Floating Rate Interest Payment Date will be the product of the Current Principal Amount of the Notes and the Floating Rate for such Floating Rate Interest Period, multiplied by the Actual/365 Day Count Fraction and rounding the resulting figure, if necessary, to the nearest cent (with half a cent being rounded upwards).

The “**Floating Rate**” for each Floating Rate Interest Period shall be equal to 3-Month Bank Bill Rate for such Interest Period, plus the Margin.

As used herein:

“**3-Month Bank Bill Rate**” in respect of a Floating Rate Interest Period means the FRA settlement rate for New Zealand dollar bills of exchange for a period of three months, which appears on the page BKBM (opposite the caption “FRA”) of the Reuters monitor screen on or around 10:45 a.m., Wellington time, on the first day of a three-month period prior to a Floating Rate Interest Payment Date and, in respect of the first Floating Rate Interest Payment Date, on the First Call Date. If such rate does not appear on such page of the Reuters monitor screen, the 3-Month Bank Bill Rate for such Floating Rate Interest Period will mean the rate determined on the basis of the average of the mid-point of the bid and offer rates quoted by three Reference Banks selected by the Calculation Agent for New Zealand dollar bills of exchange for a period of three months for settlement on the first day of such Floating Rate Interest Period and in a representative amount at approximately 11:00 a.m., Wellington time, on the first day of a such Floating Rate Interest Period.

The Calculation Agent will request the principal New Zealand office of such Reference Banks to provide a quotation of its bid and offer rates. If fewer than three quotations are provided as requested, the rate for such Floating Rate Interest Period will be the 3-Month Bank Bill Rate as determined by the Calculation Agent in respect of the immediately previous Floating Rate Interest Period. If there was no such immediately previous Floating Rate Interest Period, the rate for such Floating Rate Interest Period will be the average of the mid-point of the bid and offer rates quoted by major banks in New Zealand, selected by the Calculation Agent, for New Zealand dollar bills of exchange for a period of three months for settlement on the first day of such Floating Rate Interest Period and in a representative amount, at



approximately 11:00 a.m., Wellington time, on the first day of such Floating Rate Interest Period.

“**Actual/365 Day Count Fraction**” means the actual number of days in the Interest Period divided by 365 or 366 (in a leap year).

#### **4.4 Determination of Interest Rates and Calculation of Interest Amounts**

The Calculation Agent will, as soon as practicable after 11:00 a.m., Wellington time, on the relevant Calculation Date or as soon as practicable after 10:45 a.m., Wellington time, on the first day of the relevant Floating Rate Interest Period, as applicable, determine the relevant Interest Rate and calculate the relevant Interest Amounts.

If interest is required to be calculated in respect of an Interest Period where the Current Principal Amount of the Notes is less than their Original Principal Amount for a portion thereof, it shall be calculated by the Calculation Agent by applying the relevant Interest Rate to the Current Principal Amount of the Notes as determined from time to time within the Regular Period, multiplying such product by the 30/360 Day Count Fraction or the Actual/365 Day Count Fraction (as applicable) for each relevant portion of a Regular Period, adding the results for all such portions and rounding the resulting figure, if necessary, to the nearest cent (half a cent being rounded upwards). The Calculation Agent will cause the relevant Interest Amount to be notified to the Issuer and the Trustee, and published as provided in Condition 4.5 below.

“**Regular Period**” means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next succeeding Interest Payment Date.

#### **4.5 Publication of the Interest Rate and Interest Amounts**

The Issuer shall cause notice of the relevant Interest Rate determined in accordance with this Condition 4 in respect of each Calculation Period or Floating Rate Interest Period, and the relevant Interest Amount for each Interest Period, to be given to NZX in accordance with the Listing Rules after their determination, but in any event not later than the fourth Business Day thereafter.

In the case of interest payable at the Floating Rate, the relevant Interest Amount, the Interest Rate and the date scheduled for payment so notified may subsequently be amended without notice in the event of any extension or shortening of the relevant period in accordance with these Conditions.

If the Notes become due and payable under Condition 6.2(b) or under Condition 9 after the First Call Date other than on a Interest Payment Date, the Interest Rate and the Interest Amount payable in respect of the Notes shall nevertheless continue to be calculated as previously described by the Calculation Agent in accordance with this Condition 4 until the Notes are actually repaid, but no publication of the Interest Rate or the Interest Amount so calculated need be made.

#### **4.6 Compulsory Interest and Optional Interest**

**4.6.1** On any Compulsory Interest Payment Date The Issuer shall, on each Compulsory Interest Payment Date, for so long as the compulsory interest provisions apply (as set out in the definition of “Compulsory Interest Payment Date”), pay interest in respect of the Notes accrued to that date in respect of the Interest Period ending immediately prior to such Compulsory Interest Payment Date.

Interest accrued and payable on any Compulsory Interest Payment Date is not subject to reduction in accordance with Condition 5.1.

**4.6.2** On any Optional Interest Payment Date

For so long as the compulsory interest provisions do not apply, the Issuer may elect not to pay interest on any Optional Interest Payment Date.

On any Optional Interest Payment Date, the Issuer may, at its option, pay interest in respect of the Notes accrued to that date in respect of the Interest Period ending immediately prior to such Optional Interest Payment Date. but the Issuer shall have no obligation to make such payment and any such failure to pay shall not constitute a default by the Issuer under the Notes or for any other purpose.

Notice of non-payment of all or any interest under the Notes on any Optional Interest Payment Date shall be given to NZX and to the Noteholders in accordance with Condition 11. Such notice shall be given at least seven days prior to the relevant Optional Interest Payment Date.

Save as otherwise provided below, any interest not paid on an Optional Interest Payment Date will be forfeited and accordingly will no longer be due and payable by the Issuer.

The amount of Accrued Interest in respect of the Interest Period ending immediately prior to any Optional Interest Payment Date may be reduced following a Supervisory Event, as provided in Condition 5.1.

Payment of interest will automatically be suspended upon the occurrence of a Supervisory Event (and until the occurrence of an End of Supervisory Event), unless the relevant Interest Payment Date is a Compulsory Interest Payment Date.

#### **4.7 Optional Interest and Supervisory Event**

**4.7.1** Interest Payable on Optional Interest Payment Dates Following the Occurrence of a Supervisory Event

In the event that a Supervisory Event has occurred during the Interest Period immediately preceding an Optional Interest Payment Date:

- (i) the accrual of interest, if any, in respect of the Notes shall automatically be suspended. In addition, the amount of Accrued Interest may be reduced to absorb losses in accordance with Condition 5.1; and

- (ii) no interest on the Notes shall accrue nor be payable by the Issuer with respect to the remaining period in such Interest Period or any other Interest Period during the period starting on the date of the Supervisory Event and ending on the date of the End of Supervisory Event, unless an event triggering a Compulsory Interest Payment Date subsequently occurs.

Such interest may be paid on the next succeeding Optional Interest Payment Date occurring as from the date of the End of Supervisory Event.

#### 4.7.2 Interest Payable on Optional Interest Payment Dates after End of Supervisory Event

At the option of the Issuer, any Accrued Interest, to the extent not reduced to absorb losses in accordance with Condition 5.1, may be paid on the first Optional Interest Payment Date falling on or after the date of the End of Supervisory Event. Any Accrued Interest not paid by the Issuer on such first Optional Interest Payment Date will be forfeited.

In respect of any Optional Interest Payment Date which occurs on or after the End of Supervisory Event, interest on the Notes will recommence accruing on their Current Principal Amount, on the basis of the number of days elapsed during the period from (and including) the date of End of Supervisory Event to (but excluding) the next succeeding Interest Payment Date as calculated by the Calculation Agent in accordance with Condition 4.2 or, as the case may be, 4.3. At the option of the Issuer, such interest may be paid on the next succeeding Optional Interest Payment Date occurring as from the date of the End of Supervisory Event (inclusive). Any such interest not paid by the Issuer on such first Optional Interest Payment Date will be forfeited.

## 5. LOSS ABSORPTION AND RETURN TO FINANCIAL HEALTH

### 5.1 Loss Absorption

In the event of the occurrence of a Supervisory Event, the board of directors of the Issuer will convene an extraordinary shareholders' meeting within the three months following the occurrence of the Supervisory Event in order to propose a share capital increase or any measure regarded as necessary or useful to remedy the Supervisory Event. If the share capital increase or any proposed measures are not accepted by the extraordinary shareholders' meeting or if the share capital increase is not sufficiently subscribed to remedy the Supervisory Event, or if the Supervisory Event remains on the last day of the calendar quarter following the quarter during which the Supervisory Event has occurred, the Issuer will implement, within 10 Business Days following the last day of this calendar quarter, a reduction of the amount of Accrued Interest, if any, and thereafter, if necessary, of the Current Principal Amount of the Notes ("**Loss Absorption**"). A Loss Absorption will firstly be implemented by partially or fully reducing the

amount of the Accrued Interest, if any. If the total reduction of Accrued Interest is not sufficient for the purpose of the Loss Absorption, a further Loss Absorption will be implemented by partially or fully reducing the Current Principal Amount of the Notes.

The amounts by which Accrued Interest and, as the case may be, the then Current Principal Amount of the Notes are reduced (the "**Reduction Amounts**") will be equal to the amount of the insufficiency of the share capital increase or any other proposed measures aiming at an increase of the Tier 1 Capital to remedy the Supervisory Event.

Notwithstanding any other provision, the Current Principal Amount of each Note shall never be reduced to an amount lower than one cent of one New Zealand dollar.

For the avoidance of doubt, the first remedy to the Supervisory Event will be a share capital increase. To the extent such increase of share capital or other measures are not sufficient, the Loss Absorption will be applied first against the amount of Accrued Interest, if any, and thereafter, if necessary, against the Current Principal Amount of the Notes as herein described.

Accrued Interest and the Current Principal Amount of the Notes pursuant to the above provision may be reduced on one or more occasions, as required.

In the event that other Deeply Subordinated Obligations which would be subject to such reductions are outstanding, such reductions will be applied on a pro-rata basis among the Notes and such other Deeply Subordinated Obligations.

Interest accrued and payable on any Compulsory Interest Payment Date is not subject to reduction.

Notice of any Supervisory Event and of any End of Supervisory Event shall be given to NZX and to the Noteholders in accordance with Condition 11. Such notice shall be given as soon as practicable following the occurrence of a Supervisory Event and of any End of Supervisory Event. Notice of any reduction of the Current Principal Amount or Accrued Interest of the Notes shall be given to NZX and to the Noteholders in accordance with Condition 11. Such notice shall be given at least seven Business Days prior to the relevant reduction of the Current Principal Amount or Accrued Interest, as the case may be.

### 5.2 Return to Financial Health

If a positive Consolidated Net Income is recorded for at least two consecutive financial years reported following the End of Supervisory Event (a "**Return to Financial Health**"), the Issuer shall increase the Current Principal Amount of the Notes (a "**Reinstatement**") in a maximum amount that will ensure that any such Reinstatement (either up to the Original Principal Amount or up to any other amount lower than the Original Principal Amount) does not trigger the occurrence of a Supervisory Event.

Whether or not a Return to Financial Health has occurred, the Issuer shall increase the Current Principal Amount of the Notes up to the Original Principal Amount (which shall also constitute a “Reinstatement”) prior to:

- (i) any declaration or payment of a dividend (whether in cash, shares or any other form but excluding a dividend paid only in additional shares), or more generally any payment of any nature, by the Issuer on any class of share capital or on other equity securities issued by the Issuer, in each case to the extent categorised as Tier 1 Capital, on the T3CJ, or on Deeply Subordinated Obligations or under any Support Agreement, unless such payment on Deeply Subordinated Obligations or under Support Agreements was required to be made as a result of a dividend or other payment having been made on any class of such share capital or on other such equity securities issued by the Issuer; or
- (ii) any declaration or payment by any subsidiary of the Issuer of a dividend on any Parity Securities, unless such dividend was required to be paid as a result of a dividend or other payment having been made on any class of such share capital or on other such equity securities issued by the Issuer or on any other Parity Securities; or
- (iii) any optional redemption by the Issuer of the Notes in accordance with their terms.

No payments will be made to holders of the T3CJ, of shares of any class whatsoever of the share capital of the Issuer or of any other equity securities issued by the Issuer, in each case to the extent categorized as Tier 1 Capital, before all amounts due, but unpaid, to all Noteholders under the Notes have been paid by the Issuer.

No such Reinstatement shall be made as a result of a redemption or repurchase by the Issuer or any subsidiary of the Issuer of any Parity Securities, other Deeply Subordinated Obligations or any other securities issued by the Issuer or any loans granted to the Issuer which rank *pari passu* with the Notes or in the event of a redemption, repurchase or other acquisition by the Issuer of the T3CJ or of any class of its share capital.

The amount of any Reinstatement will not exceed the amount of the latest positive Consolidated Net Income of the Issuer.

For the avoidance of doubt, any Reinstatement shall be made in a maximum amount that will ensure that such Reinstatement does not trigger the occurrence of a Supervisory Event or, except with respect to Condition 5.2 (iii) above, a worsening of a Supervisory Event.

In the event that other Deeply Subordinated Obligations are outstanding and may also benefit from a reinstatement or an increase of their Current Principal Amount in accordance with their terms, any Reinstatement will be applied on a pro-rata basis with other reinstatements or increases

of the principal amount made on such other Deeply Subordinated Obligations.

Such Reinstatement or increase of the Current Principal Amount of the Notes shall be made on one or more occasions subject to the conditions described above until the Current Principal Amount of the Notes has been reinstated to the Original Principal Amount (save in the event of occurrence of another Supervisory Event).

Any Accrued Interest that has been reduced pursuant to Condition 5.1 shall not be reinstated pursuant to this Condition 5.2.

Notice of any Return to Financial Health shall be given to NZX and to the Noteholders in accordance with Condition 11. Notice of any Reinstatement and any increase of the Current Principal Amount of the Notes shall be given to NZX and to the Noteholders in accordance with Condition 11.

## 6. REDEMPTION AND PURCHASE

The Notes may not be redeemed otherwise than in accordance with this Condition 6.

### 6.1 No Final Redemption

The Notes are perpetual obligations in respect of which there is no fixed redemption date.

### 6.2 Issuer's Call Options Subject to the Approval of the SGCB

#### (a) General Call Option

On the First Call Date and on each Interest Payment Date thereafter, the Issuer, subject to having given not less than 30, and not more than 60, days' prior notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to prior approval of the SGCB, may, at its option, redeem all but not some of the Notes at their Original Principal Amount, together with any amounts outstanding thereon, including accrued and unpaid interest.

#### (b) Redemption for Regulatory Reasons or Taxation Reasons

- (i) If by reason of any change in French law, any change in Applicable Banking Regulations, or any change in the official application or interpretation of such laws or regulations, becoming effective on or after the Issue Date, the Notes cease to be eligible as Tier 1 Capital for the Issuer (except as a result of the application of Hybrid Securities Limit), the Issuer may, at its option, at any time, subject to having given not more than 60 nor less than 30 day's notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes then outstanding at any time up to and including the First Call Date at a price equal to the Original Principal

Amount plus accrued and unpaid interest, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest date on which the proceeds of the Notes could qualify as Tier 1 Capital.

- (ii) If by reason of any change in the laws or regulations of the Republic of France, or any political subdivision therein or any authority thereof or therein having power to tax, any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), or any other change in the tax treatment of the Notes, becoming effective on or after the Issue Date, interest payment under the Notes is no longer tax-deductible by the Issuer for purposes of French corporate income tax (*impôts sur les bénéfices des sociétés*), the Issuer may, at its option, at any time, subject to having given not more than 60 nor less than 30 day's notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes then outstanding at any time up to and including the First Call Date at a price equal to the Original Principal Amount plus accrued and unpaid interest, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make such payment with interest payable being tax deductible for purposes of French corporate income tax (*impôts sur les bénéfices des sociétés*).
- (iii) If by reason of a change in the laws or regulations of the Republic of France, or any political subdivision therein or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Condition 8, the Issuer may, at any time, subject to having given not more than 60 nor less than 30 days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes then outstanding at any time up to and including the First Call Date at their Original Principal Amount plus accrued and unpaid interest,

provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

- (iv) If by reason of a change in the laws or regulations of New Zealand (including, for the avoidance of doubt, any double tax agreement to which New Zealand is a party), or any political subdivision therein or any authority thereof having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), becoming effective on or after the Issue Date, the Issuer would on the occasion of or as a consequence of the next payment of principal or interest in respect of the Notes be liable to make a payment of or on account of tax (as defined in Condition 7.7) as to which it is entitled to indemnification from Noteholders pursuant to Condition 7.7, the Issuer may at any time, subject to having given not more than 60 nor less than 30 days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes then outstanding at any time up to and including the First Call Date at their Original Principal Amount plus accrued and unpaid interest, provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer becomes liable to make such payment of or on account of tax.
- (v) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders of the full amount then due and payable, (including any additional amounts which would be payable pursuant to Condition 8.2 but for the operation of such French law), then the Issuer shall forthwith give notice of such fact to the Registrar and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 11, and subject to the prior approval of the SGCB, redeem all, but not some only, of the Notes on any Interest Payment Date at their Original Principal Amount plus accrued and unpaid interest, provided that the due date for redemption of which notice hereunder shall be given shall be

no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal and interest payable without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

### 6.3 Purchases

The Issuer may at any time purchase Notes in the open market or otherwise at any price provided that the prior approval of the SGCB shall have been obtained and that such purchase is in compliance with applicable Listing Rules.

### 6.4 Cancellation

All Notes which are purchased or redeemed by the Issuer pursuant to paragraphs 6.2 to 6.3 of this Condition 6 will be cancelled and accordingly may not be reissued or sold.

## 7. PAYMENTS AND CALCULATIONS

### 7.1 Method of Payment

Payments of principal and interest will be made to the Noteholder as at 5:00 p.m., Wellington time, 10 calendar days after the Record Date for the relevant payment to the bank account or address stated in the Register on that date notwithstanding any notice the Issuer or the Registrar may have of any subsequent transfer. Such payments will be made, at the option of the payee, by New Zealand dollar cheque drawn on, or by transfer to a New Zealand dollar account maintained by the payee with, a bank in New Zealand, provided that notice of any change to the method of payment must be received by the Registrar prior to the Record Date for the relevant payment.

### 7.2 Payments Subject to Fiscal Laws

Without prejudice to the terms of Condition 8, all payments made in accordance with these Conditions shall be made subject to any fiscal or other laws and regulations applicable in the place of payment. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

### 7.3 Payments on Business Days

Payments due on a Note may only be made on a Business Day. Unless otherwise specified herein, if the due date for any payment in respect of the Notes is not a Business Day that payment shall be made on the next following Business Day, unless it would thereby fall into the next calendar month, in which case it shall be brought forward to the immediately preceding Business Day.

### 7.4 Reliance; Complete Discharge

The Issuer, the Trustee and the Registrar may, in making any payment in respect of a Note, rely absolutely on the information regarding ownership of the beneficial interest in that Note appearing in the Register or, in the case of a Note lodged with the Austraclear System, on the records of the Austraclear System. Any payment made by the Issuer or the Registrar to a person appearing to be a Noteholder in reliance on such information shall be deemed to be valid and shall

be a complete and final discharge of the Issuer's obligations in respect of that payment.

### 7.5 Unclaimed Payments

If any payment made by the Issuer or the Registrar to any Noteholder at its address last entered in the Register is returned unclaimed, the amount concerned will (unless the Registrar or the Issuer has in the meantime received notice of a change of address to be entered in the Register) be retained by the Registrar to be held by it for the Noteholder concerned without any liability to invest or pay interest on that amount. Any money not claimed within a period of six months from the original date of payment must be returned to the Issuer. The Issuer will have no liability in respect of any such amounts of principal or interest if such amount remains unclaimed five years after the original date of payment.

### 7.6 The Calculation Agent

If the Calculation Agent is unwilling or unable duly to determine the Interest Rate in respect of any Interest Period as provided in Condition 4 or calculate an Interest Amount, the Issuer shall appoint a calculation agent in its place.

The Calculation Agent (if not the Issuer) will not be liable for any breach by the Issuer of any warranty, obligation or undertaking under the Notes or any other agreement, including the non-payment of money due, nor will the Calculation Agent be liable for any negligent act, error or omission on the part of the Issuer, nor for acting in accordance with any instruction or direction of the Issuer or with the consent or approval of the Issuer.

### 7.7 Taxation Indemnity

- (a) If, in relation to any Note, the Issuer or the Registrar becomes liable to make any payment of or on account of tax payable by the Noteholder, the Issuer and the Registrar are indemnified on an after-tax basis by the Noteholder in relation to such liability and all costs, charges, interest, penalties, fines and expenses, incidental and relating to or arising in connection with any such tax.
- (b) Any moneys paid by the Issuer or the Registrar in relation to any such liability may be recovered from the Noteholder as a debt due to the Issuer or the Registrar, as the case may be, and may be withheld from further payments to that Noteholder.
- (c) Nothing in this Condition prejudices or affects any other right or remedy of the Issuer or the Registrar.
- (d) In this Condition 7.7, "tax" includes all forms of taxation, withholding, duties, dues, imposts, levies and rates which are imposed or levied by or on behalf New Zealand.

## 8. TAXATION

### 8.1 Withholding Tax Exemption

Since the Notes constitute *obligations* under French law and are issued outside of France through an international syndicate, payments of

interest and other revenues made by the Issuer in respect of the Notes to Noteholders who are not concurrently shareholders of the Issuer benefit under present law (as interpreted in the Instruction of the *Direction Générale des Impôts* 5 I-11-98 dated September 30, 1998) from the exemption from withholding tax provided for in Article 131 quater of the French *Code Général des Impôts* (General Tax Code). Accordingly, such payments do not give the right to any tax credit from any French source.

## 8.2 Additional Amounts

Notwithstanding Condition 8.1, if French law should require that payments of principal or interest in respect of any Note held by any Noteholder be subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed or levied by or on behalf of the Republic of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the holder of each Note, after such deduction or withholding, will receive the full amount then due and payable thereon in the absence of such deduction or withholding; provided, however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Note to a Noteholder (or beneficial owner (*ayant droit*)):

- (a) who is subject to such taxes, duties, assessments or other governmental charges in respect of such Note by reason of his having some present or former connection with the Republic of France other than the mere holding of such Note; or
- (b) who could avoid such deduction or withholding by making a declaration of non-residence or similar claim for exemption or reduction of the applicable deduction or withholding but fails to do so; or
- (c) more than 30 days after the Relevant Date (as defined below), except to the extent that the holder thereof would have been entitled to such additional amounts on the last day of such period of 30 days; or
- (d) where such deduction or withholding is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusion of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (e) who would be able to avoid such withholding or deduction by presenting the relevant Note to another Agent in a Member State of the European Union.

For this purpose, the “**Relevant Date**” in relation to any Note means whichever is the later of (A)

the date on which the payment in respect of such Note first becomes due and payable, and (B) if the full amount of the moneys payable on such date in respect of such Note has not been received by the Registrar on or prior to such date, the date on which notice is given in accordance with Condition 11 to Noteholders that such moneys have been so received.

References in these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 8.

## 8.3 New Zealand Taxes

- (a) Subject to Condition 8.2 and the remainder of this Condition 8.3, all sums payable by the Issuer in respect of a Note shall be paid (except to the extent required by law):
  - (i) free of any restriction or condition;
  - (ii) free and clear of and without any deduction or withholding on account of any tax; and
  - (iii) without deduction or withholding on account of any other amount whether by way of set-off, counterclaim or otherwise.
- (b) Subject to the following sentence, if required by law, New Zealand non-resident withholding tax will be deducted from payments of interest (or payments deemed by law to be interest) to Non-Resident Noteholders. If the Issuer is lawfully able to pay approved issuer levy (as defined in section 86F of the New Zealand Stamp and Cheque Duties Act 1971) in respect of any payment of interest (or deemed interest) to a Non-Resident Noteholder and has elected to register the Notes as a registered security (as defined in section 86F of the New Zealand Stamp and Cheque Duties Act 1971) then, unless that Non-Resident Noteholder has given notice in writing to the Registrar (or has revoked such notice) in accordance with Condition 8.3(f), the Issuer (or the Registrar on behalf of the Issuer) will pay the approved issuer levy to the appropriate authority and will deduct the amount paid from the interest (or deemed interest) payable to that Non-Resident Noteholder in lieu of deducting New Zealand non-resident withholding tax at the rate otherwise applicable from that payment.
- (c) New Zealand resident withholding tax will be deducted from payments of interest (or payments deemed to be interest) to Noteholders who are resident in New Zealand or who are engaged in business in New Zealand through a fixed establishment (as defined in the New Zealand Income Tax Act 2004) in New Zealand unless a copy of an appropriate exemption certificate is provided to the Registrar no later than five Business Days before the Record Date for the relevant payment.

- (d) Deductions of New Zealand non-resident or resident withholding tax will be made at the maximum rates from time to time applicable unless a Noteholder provides evidence satisfactory to the Registrar that a lesser rate is applicable or that no deduction is required by law.
- (e) The Issuer is not required to, and will not, make any additional payment by way of gross-up or otherwise with respect to the deduction or withholding or any amount from any payment made in relation to a Note in accordance with this Condition 8.3 or otherwise required by New Zealand law to be deducted or withheld for or on account of tax (including, for the avoidance of doubt, where an amount has been deducted in accordance with Condition 8.3(b) in relation to approved issuer levy paid by or on behalf of the Issuer). Each payment to a Noteholder that has been reduced by reason of a deduction or withholding in accordance with this Condition 8.3 shall be in full discharge of the obligations of the Issuer to make the relevant payment to that Noteholder.
- (f) A Non-Resident Noteholder may give notice in writing to the Registrar no later than five Business Days before the Record Date for the payment of interest (or payments deemed to be interest) to that Non-Resident Noteholder that New Zealand non-resident withholding tax is to be deducted from such interest in lieu of deducting an amount on account of approved issuer levy as contemplated by Condition 8.3(b). Such a notice may also stipulate that New Zealand non-resident withholding tax is to be deducted from all subsequent such interest payments until revoked by the Non-Resident Noteholder in accordance with this Condition 8.3(f).

A notice given pursuant to this Condition 8.3(f) may only be revoked by the Non-Resident Noteholder giving notice in writing to the Registrar of such revocation no later than five Business Days before the Record Date (and related Interest Payment Date) on and from which the revocation is to take effect.

For the avoidance of doubt, a Non-Resident Noteholder may give notice in writing pursuant to the first paragraph of this Condition 8.3(f) notwithstanding that the Non-Resident Noteholder has revoked a notice (or notices) previously so given, with the intent that a Non-Resident Noteholder may apply the provisions of this Condition 8.3(f) on more than one occasion.

#### 8.4 Supply of Information

Each Noteholder shall be responsible for supplying to the Issuer or its agent, in a timely manner, any information as may be required by the latter in order for it to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC or any European Directive implementing the

conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive.

## 9. EVENT OF DEFAULT

If any judgment is issued for the insolvent judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer has been liquidated for any other reason, then the Notes shall become immediately due and payable as described below.

The rights of the Noteholders in the event of a liquidation of the Issuer will be calculated on the basis of the Original Principal Amount of the Notes together with interest accrued and due in accordance with the Conditions and any other outstanding payments under the Notes. No payments will be made to the Noteholders before all amounts due, but unpaid, to all other creditors of the Issuer (including creditors of Unsubordinated Obligations of the Issuer, creditors of Ordinarily Subordinated Obligations of the Issuer, lenders in relation to prêts participatifs granted to the Issuer and holders of titres participatifs issued by the Issuer, but excluding Deeply Subordinated Obligations and Support Agreement Claims, which will be paid pro rata with the Notes) have been paid by the Issuer, as ascertained by the judicial liquidator.

No payments will be made to holders of shares of any class whatsoever of the share capital of the Issuer and no reimbursement of the T3CJ will be made before all amounts due, but unpaid, to all Noteholders under the Notes have been paid by the Issuer, as ascertained by the judicial liquidator.

## 10. MEETINGS OF NOTEHOLDERS AND MODIFICATION

### 10.1 Meetings of Noteholders

All meetings of Noteholders shall be convened and held in accordance with the provisions of Schedule 1 attached hereto.

### 10.2 Modification and Amendment of Conditions

The Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the Conditions which is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Conditions), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed which is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

Notwithstanding anything to the contrary in this Condition 10, no amendment or modification to

the subordinated status of the Notes may be approved until the prior consent of the SGCB has been obtained in relation thereto.

## 11. NOTICES

Notices to the Noteholders shall be mailed to them at their respective addresses in the Register and shall be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Alternatively, notices may, at the option of the Issuer, be published in a daily newspaper having general circulation in New Zealand (which is expected to be the New Zealand Herald). The Issuer shall also ensure that notices are duly published in a manner which complies with the Listing Rules. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

## 12. REGISTER

### 12.1 Maintenance of Register

So long as any of the Notes are outstanding, the Issuer shall cause to be maintained a full and complete Register of the Notes having the information specified in Schedule 2 hereto and otherwise in accordance with these Conditions, the Agency Agreement, all applicable laws and the Listing Rules and shall appoint, and maintain the appointment of, a registrar in respect of the Notes.

### 12.2 Inspection of Register

The Issuer shall ensure that at all reasonable times during office hours of the Registrar, the Register is made available to any Noteholder, any officer of a Noteholder or any person authorized in writing by a Noteholder, for inspection and for the taking of copies or extracts from it (at the expense of the person taking the copy or extract) in respect only of the Noteholder's own holding of Notes.

### 12.3 Closing of Register

The Issuer may, from time to time, on giving notice to Noteholders in accordance with Condition 11, close the Register for any period or periods not exceeding the shorter of (i) 30 calendar days in any one calendar year and (ii) the period, if any, permitted by NZX.

### 12.4 Correction of Errors

The Issuer or the Registrar may, on such evidence as appears to it to be sufficient, correct errors and remedy omissions in the Register.

### 12.5 Joint Noteholders

Notes may be held by two or more persons, who shall hold as joint tenants (unless the contrary intention is expressed in the application for Notes or instrument of transfer) with rights of survivorship. However, the joint Noteholders of a Note are only entitled to be entered once in the Register in relation to their joint holding and only the person whose name is recorded

first in the Register shall be entitled to delivery of any Statement, notice, certificate or other communication from the Issuer, the Registrar or NZX. If two or more persons apply to be registered as tenants in common, the Registrar may, after receiving an application from one person and notifying the other person(s) of its intentions to do so, divide the Notes into the share for which each person is expressed to be entitled and register each person as the holder of the Notes representing the person's share, subject to the requirements of Condition 2.3 in relation to minimum holdings. If the Notes cannot be divided into shares complying with the minimum holdings (if any) applicable to any Notes, the Registrar may refuse to accept the application.

## 13. AGENTS

The initial Registrar (in its capacity as initial registrar and paying and transfer agent) and its initial specified office is listed below.

The Issuer reserves the right at any time to vary or terminate the appointment of any agents and to appoint additional or other agents, provided that it will at all times maintain a specialist registrar having a specified office in New Zealand.

Notice of any such termination or appointment and of any change in the specified office of the Registrar will be given to the Noteholders in accordance with Condition 11.

If the Registrar is unable or unwilling to act as such or otherwise fails to perform its duties under these Conditions or the Agency Agreement (as the case may be), the Issuer shall appoint a specialist registrar to act as such in its place. The Registrar may not resign its duties or be removed without a successor having been appointed as aforesaid. All calculations and determinations made by the Registrar in relation to the Notes shall (save in the case of manifest error) be final and binding on the Issuer and the Noteholders.

The specified office of the initial Registrar is:

Computershare Investor Services Limited  
Level 2, 159 Hurstmere Road  
Takapuna  
Private Bag 92119  
Auckland 1142  
New Zealand

## 14. PRESCRIPTION

Claims against the Issuer for the payment of principal and interest in respect of the Notes shall become prescribed 10 years (in the case of principal) and 5 years (in the case of interest) from the due date for payment thereof.

## 15. FURTHER ISSUES

The Issuer may from time to time, subject to the prior written approval of the SGCB but without the consent of the Noteholders, issue further notes to be assimilated with the Notes with respect to their financial service, provided that such further notes



and the Notes shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further notes shall provide for such assimilation.

## **16. ENFORCEMENT**

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings against the Issuer as it may think fit to enforce the Conditions, but it need not take any such proceedings unless (a) it shall have been (i) so directed by a resolution passed at a meeting of the Noteholders duly convened and held in accordance with the provisions of the Trust Deed at which not less than 75% of the persons voting thereat upon a show of hands or if a poll is duly demanded then not less than 75% of the votes given on such a poll voted in favour of the resolution or (ii) so requested in writing by Noteholders holding at least one-fifth in principal amount of the Notes outstanding, and (b) it shall have been indemnified to its satisfaction. No Noteholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

## **17. INDEMNIFICATION OF THE TRUSTEE**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

## **18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of the Notes by virtue of the Contracts (Rights of the Third Parties) Act 1999.

## **19. GOVERNING LAW AND JURISDICTION**

The Notes will be governed by, and construed in accordance with, the laws of England, except Condition 3 with respect to the Status of the Notes and Subordination, which will be governed by French law.

The competent courts of London, England are to have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes and, accordingly, any legal action or proceedings may be brought in such courts. This submission is made for the benefit of the Trustee and each of the Noteholders and shall not affect the right of any of them to take legal action or proceedings in any other court of competent jurisdiction.

Pursuant to the Trust Deed, the Issuer will appoint an agent in the United Kingdom for service of process in any such legal action or proceedings.

## **20. REFERENCES TO STATUTES**

References to a statute shall be deemed to be references to that statute as from time to time amended or re-enacted or substituted.

## PART 6 - GLOSSARY

In this Investment Statement, unless the context otherwise requires:

“**Application Form**” means the application form attached at page 49.

“**Arranger**” means Credit Suisse Securities (Europe) Limited.

“**Closing Date**” means 13 December 2007. Crédit Agricole S.A. reserves the right to close the offer early. Any change to the Closing Date will be advised by NZX announcement.

“**Co-Managers**” means the Senior Co-Lead Manager, ABN AMRO Craigs Limited, Bank of New Zealand and Direct Broking Limited.

“**Crédit Agricole Group**” or “**Group**” means Crédit Agricole S.A., the Caisses Régionales de Crédit Agricole and the Caisses Locales de Crédit Agricole, together with their respective consolidated subsidiaries.

“**Crédit Agricole S.A. Group**” means Crédit Agricole S.A., together with its consolidated subsidiaries.

“**Dollars**” or “**\$**” means New Zealand dollars.

“**EUR**”, “**euro**” or “**€**” means the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

“**Fitch Ratings**” means Fitch ICBA Limited.

“**IFRS**” means the International Financial Reporting Standards adopted by the International Accounting Standards Board.

“**Investment Statement**” means this investment statement dated 19 November 2007.

“**Issuer**” means Crédit Agricole S.A.

“**IRD Number**” means the individual identification number issued to each person by the New Zealand Inland Revenue Department, also known as a ‘tax file number’.

“**Joint Lead Manager and Organising Participant**” means First NZ Capital Securities Limited.

“**Joint Lead Managers**” means Credit Suisse Securities (Europe) Limited and First NZ Capital Securities Limited.

“**Local Banks**” means the 2,573 local banks making up part of the Crédit Agricole Group.

“**Moody’s**” means Moody’s Investors Services, Inc.

“**Notes**” means the Perpetual Deeply Subordinated Notes issued by Crédit Agricole S.A. pursuant to this Investment Statement and the Prospectus.

“**NZX**” means New Zealand Exchange Limited.

“**NZX Firm**” has the same meaning as in the Participant Rules of NZX.

“**Official Cash Rate**” means Official Cash Rate most recently announced by the Reserve Bank of New Zealand.

“**Prospectus**” means the registered prospectus in respect of the offer of the Notes.

“**Regional Banks**” means the 38 Caisses Régionales in which Crédit Agricole S.A. holds 25% interests, which excludes the Caisse Régionale of Corsica, except as the context otherwise requires.

“**Registrar**” means Computershare Investor Services Limited.

“**Senior Co-Lead Manager**” means Calyon Crédit Agricole CIB.

“**SGCB**” means Secrétariat général de la Commission bancaire (the General Secretariat of the French Banking Commission).

“**Standard & Poor’s**” means Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc.

“**Terms and Conditions**” or “**Conditions**” means the Terms and Conditions of the Notes contained in the Trust Deed, which are set out in Part 5 for reference.

“**Trust Deed**” means the trust deed between the Issuer and the Trustee in relation to the notes.

“**Trustee**” means New Zealand Permanent Trustees Limited or any successor trustee appointed pursuant to the Trust Deed.



# PART 8 - DIRECTORY

## ISSUER

### **Crédit Agricole S.A.**

91-93, boulevard Pasteur  
75015 Paris  
France

## AUDITORS

### **Ernst & Young et Autres**

41, rue Ybry  
92576 Neuilly-sur-Seine Cedex  
France

### **PricewaterhouseCoopers Audit**

63, rue de Villiers  
92208 Neuilly-sur-Seine Cedex  
France

## JOINT LEAD MANAGER AND ORGANISING PARTICIPANT

### **First NZ Capital Securities Limited**

10th Floor  
Caltex Tower  
282 Lambton Quay  
Wellington  
Telephone: +64 (4) 474 4400  
Freephone: 0800 005 678  
www.firstnzcapital.co.nz

20th Floor  
ANZ Centre  
23-29 Albert Street  
PO Box 5333  
Auckland  
Telephone: +64 (9) 302 5500

164 Hardy Street  
PO Box 114  
Nelson  
Telephone: +64 (3) 548 8319

## ARRANGER AND JOINT LEAD MANAGER

### **Credit Suisse Securities (Europe) Limited**

One Cabot Square  
London E14 4QJ  
United Kingdom

## SENIOR CO-LEAD MANAGER

### **Calyon Crédit Agricole CIB**

9, quai du Président Paul Doumer  
92920 Paris La Défense  
France

## CO-MANAGERS

### **ABN AMRO Craigs Limited**

ABN AMRO Craigs House  
158 Cameron Road  
PO Box 13155  
Tauranga  
Telephone: 0800 272 442  
Facsimile: +64 (7) 571 8625

### **Bank of New Zealand**

Level 21, 1 Willis Street  
Wellington  
Telephone: +64 (4) 473 3791  
Facsimile: +64 (4) 474 6266

### **Direct Broking Limited**

2nd Floor  
154 Featherston Street  
Wellington  
Telephone: 0800 800 372  
Facsimile: +64 (4) 498 7064

## REGISTRAR

### **Computershare Investor Services Limited**

Level 2, 159 Hurstmere Road  
Takapuna  
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